ENVIRONMENTAL DETERMINATION NO. ED19-240          DATE: March 10, 2020

PROJECT/ENTITLEMENT: Beanway Conditional Use Permit (DRC2019-00129)
APPLICANT NAME: Brian Beanway (Pozo Management Group)  Email: treed32@me.com
ADDRESS: 880 Parkhill Road Santa Margarita, CA 93453
CONTACT PERSON: Tim Reed      Telephone: 805-550-7177

PROPOSED USES/INTENT: Request by Brian Beanway for a Conditional Use Permit (DRC2019-00129) to establish: 2.98 acres of outdoor cannabis cultivation within hoop houses; 22,000 square feet of indoor cannabis cultivation canopy within 25,200 square feet of greenhouses; 47,580 square feet of cannabis nursery (ancillary and commercial) within three new greenhouses; 6,000 square feet of ancillary cannabis processing and manufacturing within a new building; 1,280 square feet of storage area within four seatrain containers; and ancillary cannabis transport. A modification from the parking standards is requested to reduce the required number of parking spaces onsite from 152 spaces to 34 spaces; a modification from the fencing standards is requested to allow deer fencing instead of solid and durable fencing; a modification from the setbacks is requested to allow a minimum 50-foot setback from the north and east property lines versus a 300-foot setback. The project would result in the disturbance of 6.28 acres on an approximately 59 acre site located at 880 Parkhill Road, approximately fifteen miles southeast of the community of Santa Margarita. The project site is within the Agriculture land use designation and within the North County Planning Area, Las Pilitas Sub Area.

LOCATION: 880 Parkhill Road Santa Margarita, CA 93453

LEAD AGENCY: County of San Luis Obispo
Dept of Planning & Building
976 Osos Street, Rm. 200
San Luis Obispo, CA 93408-2040
Website: http://www.sloplanning.org

STATE CLEARINGHOUSE REVIEW: YES ☒ NO ☐

OTHER POTENTIAL PERMITTING AGENCIES: CA Department Fish & Wildlife, CA. Department of Food and AG, and Regional Water Quality Control Board

ADDITIONAL INFORMATION: Additional information pertaining to this Environmental Determination may be obtained by contacting the above Lead Agency address or (805)781-5600.

COUNTY “REQUEST FOR REVIEW” PERIOD ENDS AT .......... 4:30 p.m. (2 wks from above DATE)

30-DAY PUBLIC REVIEW PERIOD begins at the time of public notification

Notice of Determination

This is to advise that the San Luis Obispo County Planning Commission as Responsible Agency approved/denied the above described project on _______________, and has made the following determinations regarding the above described project:

The project will not have a significant effect on the environment. A Negative Declaration was prepared for this project pursuant to the provisions of CEQA. Mitigation measures and monitoring were made a condition of approval of the project. A Statement of Overriding Considerations was not adopted for this project. Findings were made pursuant to the provisions of CEQA.

This is to certify that the Negative Declaration with comments and responses and record of project approval is available to the General Public at the ‘Lead Agency’ address above.

Eric Hughes (ehughes@co.slo.ca.us)  County of San Luis Obispo
Signature Project Manager Name Date Public Agency
**Project Title & No.** Brian Beanway Conditional Use Permit ED19-240 (DRC2019-00129)

**ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:** The proposed project could have a "Potentially Significant Impact" for environmental factors checked below. Please refer to the attached pages for discussion on mitigation measures or project revisions to either reduce these impacts to less than significant levels or require further study.

<table>
<thead>
<tr>
<th>Aesthetics</th>
<th>Greenhouse Gas Emissions</th>
<th>Public Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture &amp; Forestry Resources</td>
<td>Hazards &amp; Hazardous Materials</td>
<td>Recreation</td>
</tr>
<tr>
<td>Air Quality</td>
<td>Hydrology &amp; Water Quality</td>
<td>Transportation</td>
</tr>
<tr>
<td>Biological Resources</td>
<td>Land Use &amp; Planning</td>
<td>Tribal Cultural Resources</td>
</tr>
<tr>
<td>Cultural Resources</td>
<td>Mineral Resources</td>
<td>Utilities &amp; Service Systems</td>
</tr>
<tr>
<td>Energy</td>
<td>Noise</td>
<td>Wildfire</td>
</tr>
<tr>
<td>Geology &amp; Soils</td>
<td>Population &amp; Housing</td>
<td>Mandatory Findings of Significance</td>
</tr>
</tbody>
</table>

**DETERMINATION:** (To be completed by the Lead Agency)

On the basis of this initial evaluation, the Environmental Coordinator finds that:

- The proposed project **COULD NOT** have a significant effect on the environment, and a **NEGATIVE DECLARATION** will be prepared.
- Although the proposed project **COULD** have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A **MITIGATED NEGATIVE DECLARATION** will be prepared.
- The proposed project **MAY** have a significant effect on the environment, and an **ENVIRONMENTAL IMPACT REPORT** is required.
- The proposed project **MAY have** a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An **ENVIRONMENTAL IMPACT REPORT** is required, but it must analyze only the effects that remain to be addressed.
- Although the proposed project **COULD** have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or **NEGATIVE DECLARATION** pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or **NEGATIVE DECLARATION**, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Jan Di Leo  
Prepared by (Print)  
Signature  
March 5, 2020  
Date

David Moran  
Reviewed by (Print)  
Signature  
February 24, 2020  
Date
Project Environmental Analysis

The County’s environmental review process incorporates all of the requirements for completing the Initial Study as required by the California Environmental Quality Act (CEQA) and the CEQA Guidelines. The Initial Study includes staff’s on-site inspection of the project site and surroundings and a detailed review of the information in the file for the project. In addition, available background information is reviewed for each project. Relevant information regarding soil types and characteristics, geologic information, significant vegetation and/or wildlife resources, water availability, wastewater disposal services, existing land uses and surrounding land use categories and other information relevant to the environmental review process are evaluated for each project. Exhibit A includes the references used, as well as the agencies or groups that were contacted as a part of the Initial Study. The County Planning Department uses the checklist to summarize the results of the research accomplished during the initial environmental review of the project.

Persons, agencies or organizations interested in obtaining more information regarding the environmental review process for a project should contact the County of San Luis Obispo Planning Department, 976 Osos Street, Rm. 200, San Luis Obispo, CA, 93408-2040 or call (805) 781-5600.

A. Project

DESCRIPTION: Request by Brian Beanway for a Conditional Use Permit (DRC2019-00129) to establish: 2.98 acres of outdoor cannabis cultivation within hoop houses; 22,000 square feet of indoor cannabis cultivation canopy within 25,200 square feet of greenhouses; 47,580 square feet of cannabis nursery (ancillary and commercial) within three new greenhouses; 6,000 square feet of ancillary cannabis processing and manufacturing within a new building; 1,280 square feet of storage area within four seatrain containers; and ancillary cannabis transport. A modification from the parking standards is requested to reduce the required number of parking spaces onsite from 152 spaces to 34 spaces; a modification from the fencing standards is requested to allow deer fencing instead of solid and durable fencing; a modification from the setbacks is requested to allow a minimum 50-foot setback from the north and east property lines versus a 300-foot setback. The project would result in the disturbance of 6.28 acres on an approximately 59-acre site located at 880 Parkhill Road, approximately fifteen miles southeast of the community of Santa Margarita. The project site is within the Agriculture land use designation and within the North County Planning Area, Las Pilitas Sub Area.

The cannabis processing greenhouse would include areas for manufacturing, an office, restrooms and storage. The project also includes two new water storage tanks of 70,000 gallons and 18,000 gallons, a composting area, waste/recycling area, a new water well, and parking for 34 vehicles including one ADA accessible space. The project will require 6,795 cubic yards of cut and fill and would remove a total of nine oak trees ranging in diameter at breast height (DBH) of 12 - 49 inches. Access to Parkhill Road is provided by an existing dirt driveway. The driveway and internal access roads will be improved with an all-weather surface and widened to 20 feet. The project will operate seven days per week between the hours of 6AM and 8PM and will employ 6 full time employees. During the harvest, an additional seven employees will be on site for about three weeks and the hours of operation will increase from 6AM to 8 PM seven days per week.

New greenhouse development for indoor cannabis cultivation, nursery, and processing activities are proposed near Parkhill Road, in the southwest portion of the site. The closest greenhouse is roughly 80 feet from the southern property line, and approximately 50 feet from the west property line. Outdoor cannabis cultivation is proposed in three locations (designated as Canopy Areas 1, 2 and 3 on Figure 3) with canopies of 30,000 square feet, 70,000 square feet, and 30,000 square feet, respectively. The three outdoor cultivation areas each provide a 300-foot setback from the south, east, and west property lines, and more than 900 feet.
Initial Study – Environmental Checklist

from the north property line. The processing greenhouse will be located between canopy areas 1 and 2 and seatrain containers are proposed between canopy areas 2 and 3 (Figures 3a, 3b and 3c).

The project includes a new, 10,000 sq.ft., kilowatt (kw) photovoltaic (PV) solar array with onsite storage and feedback capabilities. A 10,000 sq.ft. PV array produces an average of 15 watts per square foot which in turn would generate about 150 kilowatts. Assuming the system operates for eight hours per day, the system would produce approximately 150 kw x 8 hrs = 1,200 kw hours per day, or about 324,000 kilowatt hours per year. The actual generating capacity will be determined when the system is designed. Lastly, a new septic leach field will be installed to accommodate the wastewater demand associated with cannabis activities.

<table>
<thead>
<tr>
<th>Proposed Cannabis Activity</th>
<th>Project Component</th>
<th>Quantity (Total Square Feet)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Outdoor Cultivation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><em>(within hoop houses)</em></td>
<td>Area 1 Canopy</td>
<td>30,000</td>
</tr>
<tr>
<td></td>
<td>Area 2 Canopy</td>
<td>70,000</td>
</tr>
<tr>
<td></td>
<td>Area 3 Canopy</td>
<td>30,000</td>
</tr>
<tr>
<td><strong>Indoor Cultivation</strong></td>
<td>New Greenhouses (2 @ 12,600 sf each)</td>
<td>22,000</td>
</tr>
<tr>
<td><strong>Nursery</strong></td>
<td>New Greenhouse</td>
<td>11,280</td>
</tr>
<tr>
<td><em>(Ancillary &amp; Stand Alone)</em></td>
<td>New Greenhouse</td>
<td>21,000</td>
</tr>
<tr>
<td></td>
<td>New Greenhouse</td>
<td>15,300</td>
</tr>
<tr>
<td><strong>Ancillary Processing &amp; Manufacturing</strong></td>
<td>New Greenhouse</td>
<td>4,300</td>
</tr>
<tr>
<td></td>
<td>Processing</td>
<td>6,000</td>
</tr>
<tr>
<td></td>
<td>Manufacturing</td>
<td>600</td>
</tr>
<tr>
<td></td>
<td>Storage</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Office</td>
<td>1,000</td>
</tr>
<tr>
<td></td>
<td>Restroom</td>
<td>100</td>
</tr>
<tr>
<td><strong>Storage</strong></td>
<td>New Portable Seatrains (4)</td>
<td>1,280</td>
</tr>
<tr>
<td><em>(pesticides, chemicals, nutrients, tools, equipment, farm implements, and similar materials)</em></td>
<td>Storage Areas Provided in Cultivation Greenhouses</td>
<td>3,600</td>
</tr>
<tr>
<td></td>
<td>Parking and access road improvements</td>
<td>34 total spaces including one ADA accessible space; widen and install all access surface</td>
</tr>
<tr>
<td><strong>Water Storage Tanks</strong></td>
<td>70,000 and 18,000 gallons</td>
<td>430</td>
</tr>
<tr>
<td><strong>Composting and Waste Recycling Areas</strong></td>
<td>--</td>
<td>2,524</td>
</tr>
<tr>
<td><strong>Septic System / Leach Fields</strong></td>
<td>--</td>
<td>7,900</td>
</tr>
<tr>
<td><strong>Solar Array</strong></td>
<td>--</td>
<td>10,000</td>
</tr>
<tr>
<td><strong>Total Area of Disturbance</strong></td>
<td>--</td>
<td>274,570</td>
</tr>
<tr>
<td><strong>Employees</strong></td>
<td>6 full time employees; an additional seven employees during the harvest (about 3 three weeks).</td>
<td></td>
</tr>
</tbody>
</table>

Notes: 1. Storage space included in the floor area of greenhouses.

The project will be constructed in phases as funding becomes available. All site improvements and uses
necessary to operate the outdoor cultivation components of the project (including fencing, security, road access, etc.) will be established in Phase 1. Depending on funding, Phase 1 may also include one or two of the greenhouses for indoor cultivation, and the proposed processing/manufacturing building. The remaining greenhouses and associated improvements will be constructed in Phase 2 and subsequent phases as market forces dictate. Table 1 provides a summary of proposed development and uses.

**Baseline Conditions.** The site contains gently to steeply sloping terrain. Vegetation onsite consists of non-native annual grassland, mixed oak woodland, and chamise chaparral; an unnamed ephemeral drainage traverses the property in a northeast-southeast direction. (see Figure 2).

Existing development includes a residence, temporary construction trailer, sea train containers, and a 2,500 sq.ft. poultry coop (turkey shed), a wood framed structure on a concrete slab which is currently used for storage. The turkey shed is dilapidated and will be removed. A system of dirt roadways provides access to existing/proposed cultivation areas and the perimeter of the property. Water is provided by one on-site well and stored in a 2,500 gallon tank.

Outdoor cannabis cultivation has been conducted on the project site since 2016 under CCM2016-00277 which allows the cultivation of a 30,000 sq.ft. outdoor grow area; the existing cultivation area will be reconfigured and incorporated into the design of the project. The project site has been used intermittently for grazing and poultry farming.

**Ordinance Modifications:** The project includes a request for three modifications of the County's Code (Title 22): (1) a parking modification to allow a reduced number of parking spaces, (2) a fencing modification allowing 6’ tall deer fencing around the cultivation area rather than durable/opaque fencing, and (3) a setback modification to allow a reduction of the required setback for ancillary cannabis cultivation operations from 300 feet to a minimum of 30 feet.

**Parking.** The County's parking parking provisions are set forth in LUO Section 22.18.050 C. The type of uses that are most similar to the cannabis activities proposed onsite are “Ag Processing” and “Nursery Specialties”. The parking requirement for agricultural processing is one parking space per 1,000 square feet of floor area; for nursery specialties the parking requirement is 1 space per 500 sf of floor area. As noted in Table 2, the project would require 152 parking spaces. The project proposes a total of 34 spaces with all-weather surface (decomposed granite) including one space meeting Americans with Disabilities Act [ADA] standards. Additional room for un-paved parking is available adjacent to the greenhouses. Up to 13 employees could be on-site at any time during the day during peak harvest times; therefore, the 34 proposed designated spaces, along with the additional informal parking areas, would be sufficient to meet the parking demands of the project.

<table>
<thead>
<tr>
<th>Cannabis Activity</th>
<th>Proposed SF Gross</th>
<th>Parking Req. Title 22</th>
<th>Parking Spaces Required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indoor Cultivation</td>
<td>25,200</td>
<td>1:500</td>
<td>50</td>
</tr>
<tr>
<td>Nursery (Ancillary &amp; Stand Alone)</td>
<td>47,580</td>
<td>1:500</td>
<td>95</td>
</tr>
<tr>
<td>Processing / Manufacture</td>
<td>6,000</td>
<td>1:1,000</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total Parking Required</strong></td>
<td></td>
<td></td>
<td><strong>152</strong></td>
</tr>
</tbody>
</table>
Initial Study – Environmental Checklist

Fencing. The County's cannabis fencing requirements are set forth in LUO Section 22.40.050 D 6 (Cultivation Standards) and 22.40.060 D 6 (Nursery Standards). These fencing provisions require that plants not be easily visible from offsite and, that cultivation/nursery areas be completely enclosed within a secure, opaque fence of at least six (6) feet in height that prevents easy access. Fencing must include lockable gate(s) and be constructed of durable and solid screening materials. Along Parkhill Road (the south) property line, the applicant is proposing a 6-foot tall wood fence and a vegetative screen (new trees). A 6-foot tall deer fence and entry gates are proposed for each of the outdoor grow areas. An existing 3-strand barbed wire fence would remain along the east, west and north property lines.

Building Setbacks. The five greenhouse buildings to be used for ancillary nursery and indoor cultivation are all located between 50 to 150 feet from either the front (east) or north property lines. The proposed building for ancillary processing would have a minimum 300-foot setback to the nearest property line. LUO section 22.40.050 D.3 requires outdoor cannabis cultivation activities to be set back a minimum of 300 feet from the nearest property line. Ancillary cultivation activities, including ancillary nursery are subject to the 300-foot setback. Section 22.40.050 D.3.e. allows the setback to be modified through Use Permit approval, so long as the review authority finds that specific conditions of the site and/or vicinity make the required setback unnecessary and ineffective, and modification of the setback will not allow nuisance odor emissions from being detected offsite. Accordingly, the project includes a request for a setback modification to allow the ancillary nursery and indoor cultivation buildings to provide less than a 300-foot setback from the north and west property lines.

ASSESSOR PARCEL NUMBER(S): 071-201-042
Latitude: 35°20'37.05" N  Longitude: 120°21'53.47" W  SUPERVISORIAL DISTRICT # 5

B. Existing Setting

<table>
<thead>
<tr>
<th>Plan Area:</th>
<th>North County</th>
<th>Sub:</th>
<th>Las Pilitas</th>
<th>Comm:</th>
<th>Rural</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Use Category:</td>
<td>Agriculture</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Combining Designation:</td>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parcel Size:</td>
<td>59.13 acres</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Topography:</td>
<td>Gently rolling to steeply sloping</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vegetation:</td>
<td>Grasses, Oak woodland, Chaparral</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Existing Uses:</td>
<td>Single-family residence(s) accessory structures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Surrounding Land Use Categories and Uses:

<table>
<thead>
<tr>
<th>North:</th>
<th>Agriculture and Rural Lands; agricultural uses</th>
<th>East:</th>
<th>Agriculture; agricultural uses</th>
</tr>
</thead>
<tbody>
<tr>
<td>South:</td>
<td>Agriculture; agricultural uses</td>
<td>West:</td>
<td>Agriculture; agricultural uses</td>
</tr>
</tbody>
</table>
Initial Study – Environmental Checklist
Other Approvals That May Be Required to Implement the Project

<table>
<thead>
<tr>
<th>Permit Type/Action</th>
<th>Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cannabis cultivation license</td>
<td>California Department of Food and Agriculture (CDFA), CalCannabis Cultivation Licensing Division</td>
</tr>
<tr>
<td>Cannabis manufacturing license</td>
<td>California Department of Public Health (CDPH), Manufactured Cannabis Safety Branch</td>
</tr>
<tr>
<td>Lake and Streambed Alteration (LSA) Agreement or written verification that one is not needed</td>
<td>California Department of Fish and Wildlife (CDFW), Cannabis Program</td>
</tr>
<tr>
<td>Small Irrigation Use Registration and coverage under the Cannabis Cultivation General Order</td>
<td>California State Water Resources Control Board (SWRCB)</td>
</tr>
</tbody>
</table>

A more complete discussion of other agency approvals and licensing requirements is provided in Appendix A A of this Initial Study.
Figure 1: Project Vicinity
Figure 2: Project Vicinity
Initial Study – Environmental Checklist

Figure 3 – Project Overall Site Plan
Figure 3a – Project Site Plan - Enlarged
Figure 3b – Project Site Plan - Enlarged
Initial Study – Environmental Checklist

Figure 3c – Site Plan Enlarged
Figure 4 – Floor Plans and Elevations

PROCESSING BUILDING: 6,000 SF

CONTAINER FLOOR PLANS

SEA TRAIN STORAGE CONTAINER

SEA TRAIN CONTAINER DIMENSIONS
Figure 5 – Greenhouses and Processing Building

Greenhouse Buildings
Color: White/Natural Beige
Material: Plastic/Metal
Maximum Height: 18’

Manufacturing/Processing Building
Color: Tan/White
Material: Metal
Maximum Height: 16’
C. Environmental Analysis

The Initial Study Checklist provides detailed information about the environmental impacts of the proposed project and mitigation measures to lessen the impacts.
I. AESTHETICS

<table>
<thead>
<tr>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
</table>

Except as provided in Public Resources Code Section 21099, would the project:

(a) Have a substantial adverse effect on a scenic vista? ☐ ☐ ☒ ☐

(b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway? ☐ ☐ ☒ ☐

(c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality? ☐ ☒ ☐ ☐

(d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area? ☐ ☒ ☐ ☐

Setting

The project site is located on Parkhill Road about 15 miles southeast of the community of Santa Margarita and approximately 5 miles north of the community of Pozo. The dominant land use in the area is agriculture (ranching) on parcels ranging in size from 40 acres to over 300 acres. Topography of the project site is gently sloping near Parkhill Road where the majority of proposed cannabis activities would be concentrated. Parkhill Road is a two-lane rural collector that serves the ranchlands in the area. Traffic counts taken on Parkhill Road (north of Pozo Road) in 2018 revealed an afternoon peak hour volumes of 24 vehicles. Parkhill Road is not an Officially Designated Scenic Highway and is not listed as a “Suggested Scenic Corridor” on Table VR-2 of the Conservation and Open Space Element. Development along Parkhill Road is not subject to the County’s Scenic Protection Standards.

The project site is located in a rural area of the county. Parkhill Road follows a meandering route south and east from State Route 58 through gently to steeply sloping hillsides covered with dense stands of oaks and pine trees. The quality of the existing visual environment throughout the region is high. The combining patterns of rolling topography and agriculture framed by oak and pine woodlands create a landscape with a high degree of visual interest and memorability.
Initial Study – Environmental Checklist

Views of the front (south) portion of the project site from Parkhill Road are relatively open, with some screening provided by the intervening topography and stands of trees along the right of way (Figures 6 and 7). As discussed in the project description, the baseline visual components include an existing single family dwelling, a construction trailer, and a turkey shed. The existing structures are partially screened by stands of trees and their location away from Parkhill Road.

The project site is located in a rural area of the County with low development and light pollution.

Figure 6 – Views of the Project Site Looking East on Parkhill Road [re-do with property line and building site shown]

Figure 7 – Views of the Project Site Looking West on Parkhill Road
Initial Study – Environmental Checklist

Discussion

Will the project:

(a) Have a substantial adverse effect on a scenic vista?

(b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?

(c) In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (public views are those that are experienced from a publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?

The project will result in the construction of six new buildings as well as fencing, parking, and landscaping along the Parkhill Road frontage; two new water storage tanks are also proposed. Cannabis facilities will be concentrated in the southwest portion of the project site on a relatively level area that is about five feet above the elevation of the Parkhill Road right-of-way. The three outdoor cultivation areas will be located north and east of the proposed greenhouses. A 6 foot tall wooden security fence will be installed along the project's Parkhill Road frontage; all three cultivation areas will be enclosed within a 6 foot high deer fence. In addition, the project will result in the removal of nine coast live oak trees on the interior of the site that range in DBH from 12 inches to 49 inches, as well as 6,795 cubic yards of cut and fill which will be balanced on site.

An existing poultry coup (turkey barn) currently used for storage and is not visible from Parkhill Road will be demolished.

Building elevations provided with the application (Figure 5) show the greenhouse buildings will consist of beige colored metal siding with white translucent plastic sheeting over the roof; each building will be 19 feet tall at the peak of the roof. The processing building will be constructed of metal siding and will be rectangular in shape with a gently shallow-sloping gable roof. The siding will be tan colored; the roll-up doors will be white.

In assessing project impacts on visual resources, the following factors were considered:

- The potential for, and frequency of, viewing by the general public.

The aesthetic effects of a project are more likely to be significant if they are highly visible to large numbers of the public over an extended period of time. Changes to views that are seen by a limited number of people, or for only limited duration, may be found to be less than significant.

As discussed in the setting, the roadway serving the project site carries very low traffic volumes (24 PM peak hour trips). Traffic speeds in the vicinity of the project site likely between 35 and 45 miles per hour; the roadway along the project frontage makes a 20 degree bend about midway along the project frontage. As shown in Figure 6, existing oak trees and topography screen the southwest corner of the project site from the view of motorists travelling east on Parkhill Road until reaching the west property line of the project site. Views of the project site for motorists travelling west on Parkhill Road will be screened...
by existing terrain and vegetation until reaching a point just east of the existing driveway. From this location westward, the components of the project will be in view (Figure 7).

A vehicle travelling east along Parkhill Road at 35 miles per hour will pass the project site in about 17 seconds (35 mph x 5,280 ft/3,600 = 51 feet per second; 880 feet / 51 ft/sec = 17 seconds). Assuming 24 peak hour trips, a vehicle will pass by the project site about once every 2.5 seconds during the afternoon peak hour.

The project plans include a section drawing (Figure 8) to illustrate the potential visibility of the greenhouse buildings to travelers on Parkhill Road. The section drawing shows the locations of the buildings at their finish floor elevations (based on the preliminary grading plan) and their respective heights. The drawing also shows the proposed security/screening fence along the Parkhill Road property line as well as the proposed landscape screening. The drawing suggests that, although the roofline of the southern-most building will be within the line of sight to travelers on Parkhill Road, the bulk of the building will be screened by the fence, existing trees and the proposed landscaping once the plants reach maturity. The other greenhouse buildings will be beyond the line of sight from Parkhill Road.
Initial Study – Environmental Checklist

Figure 8 – Section Drawing
Initial Study – Environmental Checklist

Thus, although components of the project may be visible to passing motorists, the potential and frequency to view the site are low because of the speed of passing traffic, the very low traffic volumes and the screening provided by the proposed fencing and landscaping.

- The integrity and uniqueness of the existing scenic resource.

The magnitude of change necessary to create a significant impact to visual resources is greater in a disturbed or non-unique environment than in a pristine or rare environment.

The project site is located in a rural and somewhat mountainous area of the county where ranching is the dominant land use and the parcel sizes are large (50 – 300 acres). The project site is developed with a residence and small accessory structures that are partially visible from Parkhill Road as it meanders through the rolling terrain.

- The magnitude of the change.

A project that is small in size, or will result in minimal physical changes to the environment, is less likely to cause a significant impact to scenic qualities. Aesthetic changes associated with an individual project may appear significant, but in the context of the entire region may be relatively minor. Changes to visual character of the landscape where the change is minor may be found to be less than significant.

As discussed above, the project site is developed with a residence and accessory structures that are typical of the area. Views along Parkhill Road consist of hillsides with scattered oak trees and grasslands. Development on surrounding properties has been set back from the roadway. Because of the large parcel sizes, rolling, oak-covered terrain and the lack of intensive agricultural operations, the viewshed along Parkhill Road is largely absent of barns, greenhouses or other agrarian support structures. Therefore, the development of greenhouses and nursery buildings will result in a significant change to the visual character of the project site and the larger visual landscape.

The project incorporates the following features to minimize visual impacts:

- The project includes a solid, six-foot high wood fence along the project's Parkhill Road property line that will partially screen the proposed buildings when viewed from the roadway. The effective height of the fence, and the screening it provides, will be increased by the difference in grade between the roadway and the finish floor of the nearest building (about 5 feet).

- “Landscape screening” is shown between the proposed fence and the nearest buildings. However, there is no landscaping plan that describes the number, size or type of landscaping proposed. The existing mature trees between the proposed fence and the nearest buildings are retained and incorporated into the landscape area.

- The proposed greenhouse buildings will be a maximum 25 feet above the average natural grade where the Land Use Ordinance allows up to 35 feet.

The preceding discussion indicates that the project will have a significant impact on scenic vistas, scenic resources. With implementation of mitigation measure AES-1, AES-2, and AES-3 impacts to scenic resources will be less than significant.
Initial Study – Environmental Checklist

(d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?

Due to the rural nature of the area, artificial lighting that escapes the facilities could have the potential to impact both nearby residents and wildlife species. Motion detection lighting will be placed throughout the project site for monitoring and security purposes. The large nursery greenhouse and processing building will be equipped with outdoor security lighting, activated by motion sensor. The lighting would be placed above the main doorways (approximately 10–12 feet above grade) with down-focused flood beams. In addition, motion lighting would be placed on fence posts within each outdoor grow area. Each grow area would have roughly 2-3 lights that are located on a fence post that is roughly 6’ above grade. The secured entrance to the project will be equipped with very low intensity lighting (approximately 20 lumens) for guidance that will remain on during the dusk to dawn hours. The purpose of this lighting is to provide visibility for access to the gate operation controls. With implementation of AES-4, impacts would be less than significant with mitigation.

Conclusion
The project is not expected to adversely impact aesthetic resources because:

- Views of the project site from surrounding public vantage points are largely obscured by existing development and the intervening terrain and vegetation.
- The buildings proposed for the project incorporate agrarian design elements consistent with the visual character of the area.
- The project includes landscaping between the proposed greenhouses and Parkhill Road.
- The General Plan does not designate any scenic resources in this area.
- Indoor cultivation and nursery will prevent the associated cannabis plants from being readily visible from offsite as required by LUO Section 23.418 d.6.
- Mitigation is recommended to address potential impacts to scenic resources and the viewshed along Parkhill Road.
- Mitigation is recommended to address potential impacts associated with new sources of light and glare as well as the preservation of screening trees along Parkhill Road. In addition, State law also sets forth general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Section 8304 (c) states: All outdoor lighting used for security purposes shall be shielded and downward facing. Section 8304 (g) states: mixed-light license types of all tiers and sizes shall ensure that lights used for cultivation are shielded from sunset to sunrise to avoid nighttime glare. Compliance with the recommended mitigation measures as well as Section 8304 (c) and (g) will reduce potential impacts to less than significant.

Mitigation

AES-1 Aesthetics – Building Height. Greenhouse buildings shall not exceed 25 feet in height above the average natural grade as defined by LUO Section 22.10.090. The proposed Processing Building shall not exceed 30 feet in height above the average natural grade. The Applicant shall clearly delineate these heights on applicable construction drawings.
AES-2 Aesthetics – Landscape Plan. To provide visual screening for proposed buildings for indoor cultivation, ancillary and commercial nursery when viewed from Parkhill Road, the applicant shall prepare a Landscape Screening Plan. The Plan shall be consistent with Section 22.04.186 of the San Luis Obispo County Land Use Ordinance and shall include fast growing, evergreen vegetation that will screen, and help blend into the existing environment, the new buildings when viewed from Parkhill Road. Plant material selected shall perform well in the soils and climate for which it is planted. The Applicant shall maintain the screening for the life of the structures identified as requiring visual mitigation.

The landscape screening vegetation shall meet the following levels of screening success criteria:

a. At 3 years from planting, the vegetation shall screen at least 50% of the intended structures;

b. At 5 years from planting, the vegetation shall screen at least 80% of the intended structures.

c. At each milestone, the Applicant shall provide photos taken from key public viewing areas showing the amount of screening provided, and submit to the County for review. Should any performance milestone not be met, the Applicant shall retain a qualified expert (e.g., nurseryman/landscaping contractor) to assess the conditions and to make recommendations to achieve the next milestone. The applicant will implement these recommendations.

d. The landscape plan shall consist of plant material that is either native to the immediate area, or is considered compatible (and non-invasive) with the nearby native vegetation, as determined by a landscape contractor or architect familiar with native plants.

e. The landscape plan shall consist of plant material that is considered ‘Fire Resistant’ as identified in the County's Approved Plant List. Plantings should be no closer than 30 feet from all habitable structures.

f. All landscaping plans shall contain a note, signed by a qualified individual (e.g., arborist, landscape architect/contractor, nurseryman), certifying that the plant materials specified in the plan are consistent with Section 22.04.184 of the San Luis Obispo County Land Use Ordinance.

AES-3 Aesthetics – Screening Tree Protection. Per the attached Exhibit C, the Applicant agrees to protect and retain the existing ‘Screening Trees’ to reduce public visual impacts from the proposed project, as seen from Parkhill Road. The following shall apply to all ‘Screening Trees’:

a. Significant Impact Avoidance - construction. Prior to any construction/vegetation removal, a temporary protective fence shall be installed to keep all construction-related activities outside of the tree's canopy/outer edge of dripline; this fencing shall be kept in good working order throughout the construction phase; where possible, this fencing shall be placed 10-15 feet outside of the outer edge of the dripline; any exposed surface root shall be immediately cut cleanly just below the final surface grade; leach lines shall be no closer than 15 feet outside of the outer edge of the dripline; any landscaping installed that requires summer watering shall be placed no closer than 10 feet outside of the outer edge of the dripline. When finalizing any Drainage and/or Grading Plan, all practical efforts shall be made to retain/direct historic levels of surface drainage within the Screening Tree dripline(s).

b. Significant Impact Avoidance – post-construction. Should any of the activities under ‘Significant Impact Avoidance – construction’ occur post-construction, the specified protective
measure shall be applied; no livestock shall be allowed under the tree dripline; using accepted arborist's techniques, limited trimming is allowed as follows: no more than 10% of the canopy may be trimmed in any given year, and no more than 25% over any five consecutive year period.

c. The removal of one or more ‘Screening Trees; identified in Exhibit C may be approved by the Director if it has been determined by a qualified arborist to be dead or diseased, or that it poses a risk to life and property. If Screening Trees are removed, they shall be replaced at a ratio of 4:1. Replacement trees shall be of one gallon size, of local origin, and of the same species as was removed. Replacement trees shall be seasonally maintained (browse protection, weed reduction and irrigation, as needed) and monitored annually for at least seven years. Prior to removal of any screening trees, including dead trees, a survey shall be conducted by a qualified biologist to determine if any of the trees proposed for removal harbor sensitive bat species or maternal bat colonies as described in Mitigation Measure BR-5.

AES-4 Nighttime lighting. Prior to issuance of construction permits, the applicant shall submit a light pollution prevention plan (LPPP) to the County Planning Department for approval that incorporates the following measures to reduce impacts related to night lighting:

a. Prevent all interior lighting from being detected outside the facilities between the period of 1 hour before dusk and 1 hour after dawn;

b. All facilities employing artificial lighting techniques shall include shielding and/or blackout tarps that are engaged between the period of 1 hour before dusk and 1 hour after dawn and prevent any and all light from escaping;

c. Any exterior path lighting shall conform to LUO Section 22.10.060, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site. Exterior path lighting shall be “warm-white” or filtered (correlated color temperature of < 3,000 Kelvin; scotopic/photopic ratio of < 1.2) to minimize blue emissions; and

d. Any exterior lighting used for security purposes shall be motion activated, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site, and shall be of the lowest-lumen necessary to address security issues.

Sources

See Exhibit A.
II. AGRICULTURE AND FORESTRY RESOURCES

<table>
<thead>
<tr>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
</table>

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:

(a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use? ☒ ☐ ☐ ☐

(b) Conflict with existing zoning for agricultural use, or a Williamson Act contract? ☐ ☐ ☒ ☐

(c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))? ☐ ☐ ☐ ☒

(d) Result in the loss of forest land or conversion of forest land to non-forest use? ☐ ☐ ☐ ☒

(e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use? ☐ ☐ ☒ ☐

Setting

The project site is located within the Agriculture land use category and has been used for poultry farming and grazing. There is currently a single-family residence and a 2,500 sq.ft. poultry coup (turkey barn) currently used for storage; there are no current agricultural activities on the project site and none of the existing buildings will be used for future cannabis activities. Although not considered an agricultural activity, outdoor
cannabis cultivation has been conducted on the project site since 2016 under CCM2016-00277 which allows the cultivation of a 30,000 sq.ft. outdoor grow area. The project site is located within the La Panza Agricultural Preserve Area but is not subject to a Land Conservation Act (LCA) contract.

Based on the U.S. Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS) Web Soil Survey (NRCS 2019), soil type(s) and characteristics on project site include the following:

Arnold Loamy Sand, 9 to 30 percent slopes – 39.96 acres
This soil is located on hills and uplands. It is a gently to moderately sloping sandy soil that is considered moderately drained. The soil has low erodibility and low shrink-swell characteristics, as well as having potential septic system constraints due to poor filtering capabilities. The soil is considered Class IV without irrigation and Class IV when irrigated. This soil is considered Farmland of Statewide Importance according to Table SL-2 of the Conservation and Open Space Element.

Arbuckle-Positas Complex, 9 to 15 percent slopes – 15.48 acres
Arbuckle. This gently to moderately sloping coarse loamy soil is considered moderately drained. The soil has moderate erodibility and low shrink-swell characteristics, as well as having potential septic systems constraints due to slow percolation. The soil is considered Class IV without irrigation and Class III when irrigated. This soil is considered Prime Farmland according to Table SL-2 of the Conservation and Open Space Element.

Positas. This gently to moderately sloping coarse loamy soil is considered very poorly drained. The soil has moderate erodibility and low shrink-swell characteristics, as well as having potential septic systems constraints due to slow percolation. The soil is considered Class IV without irrigation and Class III when irrigated. This soil is considered Prime Farmland according to Table SL-2 of the Conservation and Open Space Element.

Metz-Tujunga Complex, Occasionally Flooded, 0 to 5 percent slopes – 4.24 acres
Metz soils are on floodplains and alluvial fans. This soil consists of very deep, excessively drained soils that formed in alluvial material from mixed, but dominantly sedimentary rocks. The natural drainage class is somewhat excessively drained, negligible to low runoff, moderately rapid permeability. The soil is considered Class IV without irrigation and Class III when irrigated. This soil is considered Other Productive Soils according to Table SL-2 of the Conservation and Open Space Element.

Table 3 -- Soils of the Project Site

<table>
<thead>
<tr>
<th>Soil Name</th>
<th>Acres</th>
<th>Classification</th>
<th>Erodibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arnold Loamy Sand, 9 to 30 percent slopes</td>
<td>39.96</td>
<td>Farmland of Statewide Importance</td>
<td>Moderate</td>
</tr>
<tr>
<td>Arbuckle-Positas Complex, 9 to 15 percent slopes</td>
<td>15.48</td>
<td>Prime Farmland if Irrigated/Other Productive Soils</td>
<td>Moderate</td>
</tr>
<tr>
<td>Metz-Tujunga Complex, Occasionally Flooded, 0 to 5 percent slopes</td>
<td>4.24</td>
<td>Other Productive Soils</td>
<td>Low</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>59.68</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Conservation and Open Space Element, Table SL-2
Figure 9 -- Soils and Important Farmland of the Project Site
Discussion

(a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?

Construction of the six new buildings for cannabis activities, together with the placement of four seatrain containers, roadway and parking improvements and the proposed water storage tanks will result in the permanent conversion of about 3.0 acres of Farmland of Statewide Importance to a non-soil-based use.

Table 4 provides a summary of the changes in the acreage of important farmland in San Luis Obispo County from 2006 to 2016 (the most recent year for which data are available) as determined by the California Department of Conservation, Farmland Mapping and Monitoring Program. As shown in Table 4, over the ten-year period between 2006 and 2016 the County experienced a net increase in the acreage of important farmland of about 126,781 acres, including a net increase of 1,466 acres of prime farmland.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Farmland</td>
<td>39,722</td>
<td>41,569</td>
<td>41,319</td>
<td>40,860</td>
<td>40,990</td>
<td>41,188</td>
<td>+1,466</td>
</tr>
<tr>
<td>Farmland of Statewide Importance</td>
<td>19,721</td>
<td>21,109</td>
<td>21,132</td>
<td>20,884</td>
<td>21,908</td>
<td>22,697</td>
<td>+2,976</td>
</tr>
<tr>
<td>Unique Farmland</td>
<td>36,411</td>
<td>38,777</td>
<td>39,950</td>
<td>39,979</td>
<td>43,225</td>
<td>45,175</td>
<td>+8,764</td>
</tr>
<tr>
<td>Farmland of Local Importance</td>
<td>174,552</td>
<td>309,081</td>
<td>307,325</td>
<td>304,401</td>
<td>289,309</td>
<td>288,127</td>
<td>+113,575</td>
</tr>
<tr>
<td>IMPORTANT FARMLAND SUBTOTAL</td>
<td>270,406</td>
<td>410,536</td>
<td>409,726</td>
<td>406,124</td>
<td>395,432</td>
<td>397,187</td>
<td>+126,781</td>
</tr>
<tr>
<td>Grazing Land</td>
<td>742,004</td>
<td>1,183,042</td>
<td>1,181,015</td>
<td>1,183,035</td>
<td>1,189,777</td>
<td>1,189,168</td>
<td>+447,164</td>
</tr>
<tr>
<td>AGRICULTURAL LAND TOTAL</td>
<td>1,012,410</td>
<td>1,593,578</td>
<td>1,590,741</td>
<td>1,589,159</td>
<td>1,585,209</td>
<td>1,586,355</td>
<td>+573,945</td>
</tr>
</tbody>
</table>

Project impacts to Farmland of Statewide Importance are considered less than significant because:

- The 2.98 acres of outdoor cultivation will preserve the underlying soils for a future agricultural use if the cannabis activities were to be removed.
- As shown in Table 4, the total acreage of important farmland impacted by the project (about 3.0 acres) is less than 0.002 percent of the Farmland of Statewide Importance in the county. Moreover, the county has seen a net increase in the acreage of Farmland of Statewide Importance every year since 2006.
- The new construction will be located primarily on the least productive farmland on the project site.
- The project is consistent with the following policies of the Agriculture Element with regard to the protection and preservation of productive agricultural land:
  
  AGP8: Intensive Agricultural Facilities.

  a. Allow the development of compatible intensive agricultural facilities that support local agricultural production, processing, packing, and support industries.
b. Locate intensive agricultural facilities off of productive agricultural lands unless there are no other feasible locations. Locate new structures where land use compatibility, circulation, and infrastructure capacity exist or can be developed compatible with agricultural uses.

AGP18: Location of Improvements.
a. Locate new buildings, access roads, and structures so as to protect agricultural land.

Discussion: Cannabis cultivation is not considered agricultural crop production. However, the proposed site improvements will be located on the least productive agricultural soils.

AGP14: Agricultural Preserve Program.
a. Encourage eligible property owners to participate in the county’s agricultural preserve program.

Discussion: The project site is not subject to an active LCA contract.

AGP24: Conversion of Agricultural Land.
a. Discourage the conversion of agricultural lands to non-agricultural uses through the following actions:

1. Work in cooperation with the incorporated cities, service districts, school districts, the County Department of Agriculture, the Agricultural Advisory Liaison Board, Farm Bureau, and affected community advisory groups to establish urban service and urban reserve lines and village reserve lines that will protect agricultural land and will stabilize agriculture at the urban fringe.

Discussion: The project site is located about 15 miles from the nearest urban reserve and urban fringe.

2. Establish clear criteria in this plan and the Land Use Element for changing the designation of land from Agriculture to non-agricultural designations.

3. Avoid land redesignation (rezoning) that would create new rural residential development outside the urban and village reserve lines.

4. Avoid locating new public facilities outside urban and village reserve lines unless they serve a rural function or there is no feasible alternative location within the urban and village reserve lines.

Discussion: The project is consistent with the allowable land uses in the Agriculture land use category and does not propose a change in the land use designation.
Initial Study – Environmental Checklist

The project was referred to the Department of Agriculture for review and comment. Per the memo from Lynda Auchinachie, dated July 9, 2019, the department reviewed the project for potential impacts to on- and off-site agricultural resources and recommended standard land use permit conditions of approval that ensure best management practices will be followed. No significant impacts of off-site agricultural operations were identified.

(b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?

Cannabis activities are a conditionally allowable use within the Agriculture land use category. Therefore, the project will not conflict with existing zoning for agricultural use. The project site is not subject to a Williamson Act contract.

(c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?

(d) Result in the loss of forest land or conversion of forest land to non-forest use?

The project site does not consist of forest land as defined by the Public Resources Code.

(e) Involve other changes in the existing environment which, due to their location or nature, could result in the conversion of farmland to a non-agricultural use or the conversion of forest land to a non-forest use?

The preceding discussion indicates that the proposed cannabis activities will be compatible with existing ongoing agricultural operations on the project site and in the vicinity.

Conclusion

No significant impacts to agricultural resources would occur.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.
III. AIR QUALITY

<table>
<thead>
<tr>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
</table>
| Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:

(a) Conflict with or obstruct implementation of the applicable air quality plan? ☐ ☒ ☐ ☐

(b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard? ☐ ☒ ☐ ☐

(c) Expose sensitive receptors to substantial pollutant concentrations? ☐ ☒ ☐ ☐

(d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people? ☐ ☐ ☒ ☐

Setting

The San Luis Obispo County Air Pollution Control District (SLOAPCD) has developed a CEQA Air Quality The project site is located in the South Central Coast Air Basin (SCCAB) under the jurisdiction of the San Luis Obispo County Air Pollution Control District (APCD). The APCD is in non-attainment for the 24-hour state standard for particulate matter (PM$_{10}$) and the eight-hour state standard for ozone (O$_3$) (APCD 2015). The APCD adopted the 2001 Clean Air Plan (CAP) in 2002, which sets forth strategies for achieving and maintaining Federal and State air pollution standards. The CAP provides a complete description of the air basin and the environmental and regulatory setting and is incorporated by reference. The CAP may be reviewed in its entirety by following this link: https://www.slocleanair.org/rules-regulations/clean-air-plan.php

Handbook (2012) to evaluate project-specific impacts and to help determine if air quality mitigation measures are needed, or if potentially significant impacts could result. To evaluate long-term emissions, cumulative effects, and establish countywide programs to reach acceptable air quality levels, the SLOAPCD prepared and adopted a Clean Air Plan. The APCD determines consistency with the CAP by determining whether a project would exceed the population projections used in the Clean Air Plan for the same area, whether the vehicle trips and vehicle miles traveled generated by the project would exceed the rate of population growth for the same area, and whether applicable land use management strategies and transportation control measures from the Clean Air Plan have been included in the project to the maximum extent feasible.

Thresholds of Significance for Construction Activities. The APCD’s CEQA Handbook establishes thresholds of significance for construction activities (Table 5). According to the Handbook, a project with grading in excess of 4.0 acres and/or a project that will move 1,200 cubic yards of earth per day can exceed the construction threshold for respirable particulate matter (PM$_{10}$). In addition, a project with the potential to generate 137 lbs
per day of ozone precursors (ROG + NOx) or diesel particulates in excess of 7 lbs per day can result in a significant impact.

| Table 5 – Thresholds of Significance for Construction |
|-----------------------------------|-------------|-------------|-------------|
| Pollutant                          | Threshold¹ |             |             |
|                                   | Daily       | Quarterly Tier 1 | Quarterly Tier 2 |
| ROG+NOx (combined)                | 137 lbs     | 2.5 tons      | 6.3 tons     |
| Diesel Particulate Matter         | 7 lbs       | 0.13 tons     | 0.32 tons    |
| Fugitive Particulate Matter (PM10, Dust2) | 2.5 tons     |             |             |
| Greenhouse Gases (CO2, CH4, N2O, HFC, CFC, F6S) | Amortized and Combined with Operational Emissions |             |             |


Notes:
1. Daily and quarterly emission thresholds are based on the California Health & Safety Code and the CARB Carl Moyer Guidelines.
2. Any project with a grading area greater than 4.0 acres of worked area can exceed the 2.5 ton PM10 quarterly threshold.

Thresholds of Significance for Operations. Table 1-1 of the APCD’s CEQA Handbook provides screening criteria based on the size of different types of projects that would normally exceed the operational thresholds of significance for greenhouse gases and ozone precursors. The list of project categories in Table 1-1 is not comprehensive and does not include cannabis-related activities. However, operational impacts are focused primarily on the indirect emissions associated with motor vehicle trips associated with development. For example, a project consisting of 99 single family residences generating 970 average daily vehicle trips would be expected to exceed the 25 lbs/day operational threshold for ozone precursors. A project consisting of 54 single family residences generating 529 average daily motor vehicle trips would be expected to exceed the threshold for greenhouse gas emissions.

The APCD has also estimated the number of vehicular round trips on an unpaved roadway necessary to exceed the 25 lbs/day threshold of significance for the emission of particulate matter (PM10). According to the APCD estimates, an unpaved roadway of one mile in length carrying 6.0 round trips would likely exceed the 25 lbs/day PM10 threshold.

The prevailing winds in the project vicinity are from the west and north during the daylight hours and slightly eastward at night. The nearest offsite residence is downwind to the east.
Initial Study – Environmental Checklist

Discussion

(a) Conflict with or obstruct implementation of the applicable air quality plan?

(b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?

The project site is located within the area governed by the North County Area Plan, Las Pilitas Sub Area; cannabis activities are a conditionally allowable use in the Agricultural land use category. The project is consistent with the general level of development anticipated and projected in the SLOAPCD's Clean Air Plan; therefore, impacts related to consistency with the SLOAPCD's Clean Air Plan would be less than significant.

Construction Related Emissions. Based on the project description, earth moving activities would likely take about 5 days and could require up to six workers per day. Assuming 6,795 cubic yards of cut and fill, the project would be moving more than 1,200 cubic yards/day of material. In addition, the project will result in an area of disturbance of that is greater than four acres. Therefore, construction related emissions will exceed the general thresholds triggering construction-related mitigation for reactive organic gases, oxides of nitrogen and particulate matter and are considered significant unless mitigated. The project will also be subject to the dust control standards provided in LUO Section 22.52.160 C.

Operation-Related Emissions. According to the trip generation analysis prepared by the Department of Public Works, the project is expected to generate up to 14 average daily motor vehicle trips. Based on the screening criteria discussed above, a project that generates less than 99 average daily motor vehicle trips is expected to generate emissions that fall below the threshold of significance for ozone precursors and greenhouse gas emissions.

LUO Section 22.40.050.D.4 states that cannabis cultivation sites located on an unpaved road shall incorporate measures to mitigate the air pollution (i.e. dust) effects created by the use. Motor vehicle access to the project site is provided from Parkhill Road which is a paved, county maintained roadway. Internal roadways will be constructed with an all-weather surface that will minimize dust generation. Therefore, the provisions of LUO 22.40.050.D.4 do not apply.

(c) Expose sensitive receptors to substantial pollutant concentrations?

Sensitive receptors are people or other organisms that may have a significantly increased sensitivity or exposure to air pollution by virtue of their age and health (e.g. schools, day care centers, hospitals, nursing homes), regulatory status (e.g. federal or state listing as a sensitive or endangered species), or proximity to the source. The nearest offsite residence is about 10 feet from the eastern property line and about 350 feet from the nearest outdoor cultivation area (Area 3). Residences may be occupied by sensitive receptors who could be exposed to diesel particulates and fugitive dust from construction activities. However, construction of the greenhouses and parking areas is not expected to require the use of large diesel-powered construction equipment or significant amounts of grading. Therefore, potential impacts to sensitive receptors are considered less than significant.

According to the APCD CEQA Air Quality Handbook, Naturally Occurring Asbestos (NOA) has been identified as a toxic air contaminant by the California Air Resources Board (CARB). Under the CARB Air Toxics Control Measure (ATCM) for Construction, Grading, Quarrying, and Surface Mining Operations, prior to any grading activities a geologic evaluation should be conducted to determine if NOA is present within the area that will be disturbed. If NOA is not present, an exemption request must be...
filed with the District. If NOA is found at the site, the applicant must comply with all requirements outlined in the Asbestos ATCM. This may include development of an Asbestos Dust Mitigation Plan and an Asbestos Health and Safety Program for approval by the APCD. Based on the APCD on-line map of potential NOA occurrence, the project site does not lie in the area where a geologic study for the presence of NOA is required.

(d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?

The project includes indoor and outdoor cannabis cultivation, processing, and manufacturing of cannabis grown on-site. These activities can produce potentially objectionable odors during the flowering, harvest, and processing phases and these odors could disperse through the air and be sensed by surrounding receptors. Accordingly, Section 22.40.050 of the LUO mandates the following:

All cannabis cultivation shall be sited and/or operated in a manner that prevents cannabis nuisance odors from being detected offsite. All structures utilized for indoor cannabis cultivation shall be equipped and/or maintained with sufficient ventilation controls (e.g. carbon scrubbers) to eliminate nuisance odor emissions from being detected offsite.

With regard to the effects of cannabis odors on air quality, there are no standards for odors under either the federal or State Clean Air Acts. Accordingly, there are no objective standards through which the adverse effects of odors may be assessed. Although odors do affect “air quality", they are treated as a nuisance by the County and abated under the County's nuisance abatement procedures.

The precise adverse health effects of cannabis odors, if any, is unknown. However, a study published in the Journal of American Medicine in 1986 (Am J Med. 1986 Jan;80(1):18-22) concluded that odors are an important cause of the worsening of certain respiratory illnesses such as asthma. A person's expectations regarding the harmful effects of an odor may affect airway physiology in asthma sufferers (Journal of Psychosomatic Research Volume 77, Issue 4, October 2014, Pages 302-308). As discussed above, odors are not considered an air pollutant under federal or state laws air quality laws.

The Project incorporates the following features to address odors:

- The Operations Plan required by LUO Section 22.40.040.A.3. sets forth operating procedures to be followed to help ensure odors associated with cannabis related activities do not leave the project site.

- The project has been conditioned to operate in a manner that ensures odors associated with cannabis activities are contained on the project site.

- The project has been conditioned to participate in an ongoing cannabis monitoring program. Once implemented by the County, the project site will be inspected four times per year to ensure ongoing compliance with conditions of approval, including those relating to odor management.

- As required by LUO Section 22.40.050 D. 8., all structures for indoor cannabis cultivation are required to be equipped and/or maintained with sufficient ventilation controls (e.g. carbon scrubbers) to eliminate nuisance odor emissions from being detected offsite. Accordingly, the facility will employ air scrubbing technology on the greenhouse. Carbon scrubbers, for example, have been demonstrated to be an effective odor abatement method for indoor cannabis...
facilities (County of Santa Barbara 2017) and work by pulling odors from the air into an exhaust system and absorbing any odors that pass through via activated/deactivated carbon (granular, pelletized, or powdered).

- Although the three greenhouse buildings proposed for ancillary nursery will be within 300 feet of the nearest property line, all of the buildings will be fully enclosed and equipped with odor controls. In addition, the plants grown in these buildings will be non-flowering.

Based on the proximity of the nearest sensitive receptor and proposed ventilation methods, impacts from odors on nearby sensitive receptors would be less than significant.

**Conclusion**

Construction related emissions are expected to exceed thresholds of significance and could adversely impact offsite sensitive receptors. With implementation of Mitigation Measures AQ-1, AQ-2 and AQ-3 potential impacts will be less than significant.

**Mitigation**

**AQ-1. Fugitive Dust Emissions.** The following measures shall be implemented to minimize construction-generated emissions. These measures are based on SLOAPCD standard mitigation measures and would help to ensure compliance with the SLOAPCD’s 20% opacity limit (SLOAPCD Rule 401) and nuisance rule (SLOAPCD Rule 402). These measures shall be shown on grading and building plans:

a. Construction of the proposed project shall use low-VOC content paints not exceeding 50 grams per liter.

b. To the extent locally available, prefinished building materials or materials that do not require the application of architectural coatings shall be used.

c. Reduce the amount of the disturbed area where possible.

d. Use water trucks, APCD approved dust suppressants (see Section 4.3 in the CEQA Air Quality Handbook), or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the District’s limit of 20% opacity for greater than 3 minutes in any 60-minute period. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible. Please note that since water use is a concern due to drought conditions, the contractor or builder shall consider the use of an APCD-approved dust suppressant where feasible to reduce the amount of water used for dust control. For a list of suppressants, see Section 4.3 of the CEQA Air Quality Handbook.

e. All dirt stock-pile areas should be sprayed daily as needed.

f. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil disturbing activities.

g. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established.

h. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the SLOAPCD.
Initial Study – Environmental Checklist

i. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used.

j. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site.

k. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114.

l. Install wheel washers at the construction site entrance, wash off the tires or tracks of all trucks and equipment leaving the site, or implement other SLOAPCD-approved methods sufficient to minimize the track-out of soil onto paved roadways.

m. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible.

n. The burning of vegetative material shall be prohibited. Effective February 25, 2000, the APCD prohibited developmental burning of vegetative material within San Luis Obispo County. If you have any questions regarding these requirements, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.

o. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the SLOAPCD Compliance Division prior to the start of any grading, earthwork or demolition.

p. When applicable, portable equipment, 50 horsepower (hp) or greater, used during construction activities shall be registered with the California statewide portable equipment registration program (issued by the California Air Resources Board) or be permitted by the APCD. Such equipment may include: power screens, conveyors, internal combustion engines, crushers, portable generators, tub grinders, trammel screens, and portable plants (e.g. aggregate plant, asphalt plant, concrete plant). For more information, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.

AQ-2. ROG, NOx, DPM Emissions. The following measures based on the SLOAPCD standard mitigation measures for construction equipment for reducing nitrogen oxides (NOx), reactive organic gases (ROG), and diesel particulate matter (DPM) emissions from construction equipment shall be implemented to reduce exposure of sensitive receptors to substantial pollutant concentrations. These measures shall be shown on grading and building plans:

a. Implement Mitigation Measure AQ-1, as identified above.

b. On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:
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i. Shall not idle the vehicle’s primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and,

ii. Shall not operate a diesel-fueled auxiliary power system to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.

c. Maintain all construction equipment in proper tune according to manufacturer’s specifications.

d. Fuel all off-road and portable diesel-powered equipment with ARB certified motor vehicle diesel fuel (non-taxd version suitable for use off-road).

e. Use diesel construction equipment meeting ARB’s Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation.

f. Idling of all on and off-road diesel-fueled vehicles shall not be permitted when not in use. Signs shall be posted in the designated queuing areas and or job site to remind drivers and operators of the no idling limitation.

g. Electrify equipment when possible.

h. Substitute gasoline-powered in place of diesel-powered equipment, when available. and,

i. Use alternatively fueled construction equipment on-site when available, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane or biodiesel.

AQ-3 Developmental burning. As of February 25, 2000, the APCD prohibits developmental burning of vegetative material within San Luis Obispo County. However, under certain circumstances where no technically feasible alternatives are available, limited developmental burning under restrictions may be allowed. Any such exception must complete the following prior to any burning: APCD approval; payment of fee to APCD based on the size of the project; and issuance of a burn permit by the APCD and the local fire department authority. As a part of APCD approval, the applicant shall furnish them with the study of technical feasibility (which includes costs and other constraints) at the time of application. For any questions regarding these requirements, contact the APDD at (805) 781-5912.

Sources

See Exhibit A.
# BIOLOGICAL RESOURCES

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
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<tr>
<td>(a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?</td>
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<td>(b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?</td>
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<td>(c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?</td>
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<td>(d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?</td>
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<td>(e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?</td>
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<td>(f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?</td>
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Initial Study – Environmental Checklist

Setting
The following information is based on a Biological Resource Assessment prepared for the project site by Althouse and Meade, Inc., August, 2019.

Methods. The Property was surveyed for biological resources on April 10 and 12, 2019 by Althouse and Meade, Inc. Senior Biologist Lisa Gadsby and Principal Biologist Jason Dart. Follow-up surveys for late-blooming plant species with potential to occur in the area was performed on August 14 and 16, 2019 by Botanist Kristen Anderson. Biological surveys were conducted on foot in order to compile species lists, to search for special status plants and animals, to map habitats, and to photograph the Property. The general vegetation survey method included meandering transects with an emphasis on identifying each plant species observed. Transects were also utilized to describe general conditions and dominant species, compile species lists, and evaluate potential habitat for special status species. The entire 59.1-acre Property was surveyed, with an emphasis on identifying plants and wildlife within the proposed Project footprint and immediate surrounding area (refer to Figure 5). Spatial data was collected in the field using a Samsung Galaxy Tab 4 tablet equipped with an EOS Arrow 100 GPS Receiver with sub-meter accuracy. Cross-sections of an ephemeral drainage on the Property were measured in the field and spatial data collected with the Arrow GPS were combined in ArcGIS with a 1-foot interval topographic map of the Property to provide a delineation of waters of the state.

Prior to the late-season botanical survey, reference sites for the two target plant species, Indian Valley spineflower (Aristocapsa insignis) and paniculate tarplant (Deinandra paniculata) were visited to confirm the target species were identifiable. Identification of botanical resources included field observations and laboratory analysis of collected material. Botanical nomenclature used in this document follows the Jepson Manual, Second Edition (Baldwin et al. 2012). Wildlife documentation included observations of animal presence and other wildlife sign. Observations of wildlife were recorded during the field survey in all areas of the Property (Table 6; Attachment F). Birds were identified by sight or by vocalizations. Results of the botanical and wildlife surveys are summarized in the following sections.

Prior to the initial site visit, the California Natural Diversity Database (CNDDB; April 2019 data) the California Native Plant Society (CNPS) On-line Inventory of Rare and Endangered Plants of California, and U.S. Fish and Wildlife Service (USFWS) Critical Habitat data were queried for the 9 USGS 7.5-minute quadrangles surrounding the site, including: Wilson Corner, Camatta Ranch, La Panza Ranch, Santa Margarita Lake, Pozo Summit, La Panza, Tar Spring Ridge, Caldwell Mesa, and Los Machos Hills. Query results were used to generate Special Status Species Reported from the Region Lists (Appendix D) for the Project. Additional species not listed in the CNDDB or CNPS searches for the area, but with reasonable potential to occur in the Property were added to the lists1.

Additional special status species research consisted of searching online herbarium specimen records maintained by the Consortium of California Herbaria. Websites such as Californiaherps.com, iNaturalist.org, and eBird.org were also reviewed as secondary sources of information on special-status species occurrence records. Special status species lists produced by database and literature searches (refer to Attachment D) were cross-referenced with the described habitat types on the Property to identify all potential special status species that could occur in or near the Property.

On-Site Habitats
Undeveloped habitat includes non-native annual grassland, mixed oak woodland, and chamise chaparral. The mixed oak woodland habitat is dominated by coast live oaks (Quercus agrifolia) interspersed with foothill pines (Pinus sabiniana), and occasional blue oaks (Quercus douglasii). The chamise chaparral is dominated by chamise (Adenostoma fasciculatum) interspersed with foothill pine, buckbrush (Ceanothus cuneatus), and
skunkbrush (*Rhus aromatica*). The non-native grassland habitat is dominated by wild oats (*Avena fatua*) ripgut brome (*Bromus diandrus*, red-top brome (*Bromus madritensis* ssp. *rubens*), and fiddleneck (*Amsinckia menziesii*). Soils on the Property are sandy loam to fine sandy loam.

**Figure 10 -- Habitats of the Project Site**
Special-Status Species

For the purpose of this analysis, special status species are those plants and animals listed, proposed for listing, or candidates for listing as threatened or endangered by the USFWS under the federal Endangered Species Act (ESA); those listed or proposed for listing as rare, threatened, or endangered by the CDFW under the California Endangered Species Act (CESA); animals designated as "Species of Special Concern," "Fully Protected," or "Watch List" by the CDFW; and plants occurring on California Rare Plant Ranks (CRPR) 1, 2, 3 and 4 developed by the CDFW working in concert with the CNPS. The specific code definitions are as follows:

- **IA** = Plants presumed extinct in California;
- **IB.1** = Rare or endangered in California and elsewhere; seriously endangered in California (over 80% of occurrences threatened/high degree and immediacy of threat);
- **IB.2** = Rare or endangered in California and elsewhere; fairly endangered in California (20-80% occurrences threatened);
- **IB.3** = Rare or endangered in California and elsewhere, not very endangered in California (<20% of occurrences threatened or no current threats known);
- **2** = Rare, threatened or endangered in California, but more common elsewhere;
- **3** = Plants needing more information (most are species that are taxonomically unresolved; some species on this list meet the definitions of rarity under CNPS and CESA);
- **4.2** = Plants of limited distribution (watch list), fairly endangered in California (20-80% occurrences threatened); and
- **4.3** = Plants of limited distribution (watch list), not very endangered in California.

Special-Status Plants

Botanical surveys conducted in April and August 2019 identified 99 species and subspecies of vascular plants on the Property (Table 5; Attachment E). The list includes 71 species native to California, and 28 introduced (naturalized or planted) species. Two special status species, paniculate tarplant and California spineflower were detected on the Property. Native plants species account for approximately 72 percent of the taxa within the Property, and non-native species account for approximately 28 percent.

Two special status plant species, paniculate tarplant and California spineflower, are present on the Property. Four additional special status plants have potential to occur on the Property: Santa Margarita manzanita, Indian Valley Spineflower, La Panza mariposa lily, and San Luis Obispo County lupine. One additional plant species, Camatta Canyon amole, does not have potential to occur on the Property but warrants further discussion because it is a federally listed species with nearby designated critical habitat. We discuss these seven species below and describe habitat, range restrictions, known occurrences, and survey results for the Property.

**Santa Margarita Manzanita** (*Arctostaphylos pilosula*) is a CRPR 1B.2 species endemic to San Luis Obispo County. It is known to occur in chaparral, broad-leafed upland forest, cismontane woodland, and close-cone pine forests at an elevational range of 75 – 1100 meters. It is a shrub species with a blooming period of December through May. The closest known occurrence of Santa Margarita Manzanita is approximately 3.2 miles east of the Property (CNDDB #50). Suitable habitat for the species is present on the Property.
Appropriately timed botanical surveys determined Santa Margarita manzanita does not occur on the Property.

**Indian Valley Spineflower** *(Aristocapsa insignis)* is a California Rare Plant Rank (CRPR) 1B.2 species that is endemic to Monterey and San Luis Obispo Counties. It is known to occur on sandy soils in cismontane woodland habitat between 300 to 600 meters elevation. It is an annual herb that typically blooms between May and September. The closest known record is approximately 3.4 miles north of the Property, within the Los Padres National Forest (CNDDB #2). Indian Valley spineflower has a low to moderate potential to occur on the Property. It was observed to be in bloom and identifiable at a reference population located approximately 26 miles east of the Property on August 14, 2019. Indian Valley spineflower was not observed during appropriately-time late season botanical surveys in August 2019 on the Property.

**La Panza Mariposa Lily** *(Calochortus simulans)* is a CRPR 1B.3 species endemic to San Luis Obispo and Santa Barbara Counties. It is known to occur in grassland, chaparral, cismontane woodland and lower montane coniferous forest habitats, often on sandy, granitic or serpentinite substrates between 325- and 1,150-meters elevation. It is a bulbiferous perennial herb that typically blooms between April and June. The closest known record of La Panza Mariposa lily is approximately 2.6 miles northeast of the Property, within the Los Padres National Forest (CNDDB #86). La Panza mariposa lily has a moderate potential to occur on the Property based on suitability of soils and habitat. Appropriately timed botanical surveys determined La Panza mariposa lily does not occur on the Property.

**Hardham’s Evening Primrose** *(Camissoniopsis hardhamiae)* is a CRPR 1B.2 species that is endemic to Monterey and San Luis Obispo Counties. It is known to occur on sandy, decomposed carbonate soils in chaparral and cismontane woodland habitats between 140- and 945-meters elevation. It is an annual herb that typically blooms between March and May and is associated with disturbance and burned areas. The closest known record is approximately 3.0 miles west miles southeast of the Study Area (CCH OBI56759) along Parkhill Road. Suitable habitat is present on the Property and Hardham’s evening primrose was determined to have a high potential to occur. Appropriately timed botanical surveys determined Hardham’s evening primrose does not occur on the Property.

**Camatta Canyon Amole** *(Chlorogalum purpureum var. reductum)* is federally listed as threatened and is listed as Rare by the State of California; it has a CRPR of 1B.1 Camatta Canyon Amole is endemic to San Luis Obispo County where it is only known from the northeastern La Panza Ranges, near Camatta Canyon. It is a bulbiferous perennial herb that typically blooms between April and May. It occurs on hard, red claypan soils on flat or gently sloping terrain within grasslands, oak woodlands, oak savannah, and open areas between shrub species, most commonly chamise, and has a strong association with cryptogamic soils and crusts (Fed Reg 2002). The CNPS Observation Database reports an occurrence approximately 3.7 miles southeast (cn787), however the accuracy of this record is unknown and little detail is available. Known valid occurrences of the plant are located approximately 5 miles northeast within an area of designated critical habitat for the subspecies. The hard red claypan soils required by the plant on the Property do not occur on the Property and Camatta Canyon amole is not expected to occur. Camatta Canyon amole was not observed during the appropriately timed botanical surveys.

**Lemmon’s Jewelflower** *(Caulanthus lemmonii)* is a CRPR 1B.2 subspecies endemic to California. It is known to occur on dry, exposed slopes in grassland and pinyon and juniper woodland habitats between 80- and 1,580-meters elevation. It is an annual herb that typically blooms between February and May. The CNDB documents two historical occurrences of Lemmon’s jewelflower between two and five miles of the Study Area. The nearest modern record of occurrence for the plant is approximately 3.6 miles southeast (CNPS...
cn787). The grassland and chaparral habitats on the Property are suitable for this species, however preferred dry, exposed slopes are lacking. There is a moderate potential for Lemmon's jewelflower to occur on the Property. Lemmon's jewel-flower was not detected on the Property during appropriately timed botanical surveys.

**Douglas' Spineflower** (*Chorizanthe douglasii*) is a CRPR 4.3 species endemic to San Benito, Monterey and San Luis Obispo Counties. It is known to occur on sandy or gravelly soils in chaparral, cismontane woodland, coastal scrub, and lower montane coniferous forests habitats between 55- and 1,600-meters elevation. It is an annual herb that typically blooms between April and July. The closest known record is approximately 3.6 miles southeast of the Property (CNPS cn787). The habitat and soils on the Property are suitable for Douglas’ spineflower and there is a high potential for the plant to occur. Douglas' spineflower was not detected on the Property during appropriately timed botanical surveys.

**Straight-awned Spineflower** (*Chorizanthe rectispina*) is a CRPR 1B.3 species endemic to Monterey, San Luis Obispo, and Santa Barbara Counties. It is known to occur on sand or gravel in open areas of chaparral, cismontane woodland, and coastal scrub habitats between 85- and 1,035-meters elevation, often on granite. It is an annual herb that typically blooms between April and July. The closest known record is approximately 3.7 miles north of the Property (CNDBDB #1). Habitat and soil conditions on the Property are suitable for straightawned spineflower and there is a high potential for the plant to occur. Straight-awned spineflower was not detected during appropriately timed botanical surveys.

**Paniculate Tarplant** (*Deinandra paniculata*) is a CRPR 4.2 species known from the San Francisco Bay area south to northern Baja California. It is known to occur on sandy soils in grassland, coastal scrub, vernal pool and wetland habitats between 25- and 940-meters elevation. It is an annual herb that typically blooms between June and September. The nearest recorded occurrence of paniculate tarplant is approximately 3 miles south of the Property (R. F. Hoover, 6404). Additionally, recent field work conducted by Althouse and Meade identified a population of the species approximately 1.9 miles west of the Property on private land (Althouse and Meade, Inc. 2018). Paniculate tarplant was identified in the southwest portion of the Property during late season botanical surveys in August 2019. Approximately 1,500 paniculate tarplants were mapped within an approximately 0.97-acre area of the Property (refer to Figure 5). Habitat at this location consists of annual grassland habitat dominated wild oat, bromes, and yellow-star thistle (*Centaurea solstitialis*). The field is seasonally mowed two to three times per year.

**San Luis Obispo County Lupine** (*Lupinus ludovicianus*) is a CRPR 1B.2 species endemic to San Luis Obispo County. It is known to occur on sandstone or sandy substrates in chaparral and cismontane woodland habitats between 50- and 525-meters elevation. It is a perennial herb that typically blooms between April and July. The closest known record is approximately 0.75 mile west of the Property on private land (CNDDB #7). San Luis Obispo County Lupine has a high potential to occur on the Property based on suitability of soils and habitat. Appropriately timed botanical surveys in April 2019 determined San Luis Obispo County lupine does not occur on the Property.

**Jones' Bush Mallow** (*Malacothamnus jonesii*) is a CRPR 4.3 species endemic to Monterey, San Luis Obispo, and Santa Barbara Counties. It is known to occur in chaparral and cismontane woodland habitats between 160- and 1,075-meters elevation. It is a deciduous perennial shrub that typically blooms between March and October. The closest voucher specimen of Jones' bush mallow is approximately 3.6 miles north of the Property (CCH SBBG4661). One record in the Calflora observation database references a potential location approximately 1-mile northwest of the Proeprty (cbo74501). The woodland and chaparral habitat on the Property is suitable for this species, and it has a high potential to occur on the Property. Appropriately timed botanical surveys determined Jones' bush mallow does not occur on the Property.
California Spineflower (*Mucronia californica*) is a CRPR 4.2 species endemic to California between Monterey and San Diego counties. It is an annual herb that grows in sandy soils in grassland, coastal scrub, dune, woodland, and chaparral habitats between 0 and 1,400 meters in elevation. It typically blooms between March and July (August). The closest reported occurrence of California spineflower is approximately 1.3 miles west, along Parkhill Road (JEPS109930). California spineflower was detected within the southwest portion of the Study Area during late season botanical surveys in August 2019. Approximately 50 plants were documented within an area of 0.04-acres. Habitat at this location consists of annual grassland habitat dominated wild oat and bromes.

Robbins' Nemacladus (*Nemacladus secundiflorus var. robbinsii*) is a CRPR 1B.2 variety that is endemic Los Angeles, Santa Barbara, San Benito, Ventura, and San Luis Obispo Counties. It is known to occur on dry sandy or gravelly slopes, in openings in chaparral and grassland habitats between 350- and 1,700-meters elevation. It is an annual herb that typically blooms between April and June. There are no reported occurrences of Robbins' nemacladus within 11 miles of the Property. The grassland and chaparral habitats on the Property are marginally suitable for the plant and there is a low potential for the species to occur. Robbins' nemacladus was not detected on the Property during appropriately timed botanical surveys.

Large-Flowered Nemacladus (*Nemacladus secundiflorus var. secundiflorus*) is a CRPR 4.3 variety endemic to central California. It is known to occur on dry, gravelly slopes at elevations between 200- and 2,000-meters elevation. It is an annual herb that typically blooms between April and June. The nearest reported occurrence of large-flowered nemacladus is approximately 4.5 miles southwest of the Property (CNPS cn786). The grassland and chaparral habitats on the Property are marginally suitable for the plant and there is a low potential for the species to occur. Large-flowered nemacladus was not detected on the Property during appropriately timed botanical surveys.

**Special Status Animals**

The Property provides suitable habitats and micro-habitats for a variety of wildlife species. Wildlife species detected on the Property include 1 amphibian, 2 reptiles, 15 birds, and 5 mammals. Black-bellied slender salamander (*Batrachoseps nigriventris*) was detected under debris and leaf litter under an oak tree. Several western fence lizards and one western skink were observed. Several deer mice and three woodrat nests were also observed in and around oak trees. Sign of other rodents included gopher mounds and small mammal burrows. One medium-sized inactive stick nest was observed in a coast live oak tree; no large raptor stick nests were observed. Cavities and tree hollows were noted on oak trees throughout the Property. One coast live oak, two foothill pines, and an old utility pole were being utilized as acorn granaries for acorn woodpeckers. Mule deer (*Odocoileus hemionus*) tracks were seen throughout the Property.

**Special Status Invertebrates**

One special-status invertebrate species, Crotch Bumble Bee (*Bombus crotchii*) has potential to occur on the Property. Crotch bumble bee is considered a Special Animal and is tracked by the CNDDB. Crotch bumble bee is known from California and western Nevada and inhabits open grassland and scrub habitats. In general, bumble bees forage from a diversity of plants, although individual species can vary greatly in their plant preferences, largely due to differences in tongue length (Hatfield et al. 2015). Crotch bumble bees are classified as a short-tongued species, whose food plants include *Asclepias*, *Choenactis*, *Lupinus*, *Medicago*, *Phacelia*, and *Salvia* (Williams et al. 2014). The species is primarily active in the spring and summer. Nesting occurs underground, often in abandoned rodent burrows. The closest reported occurrence of Crotch bumble bee is approximately 5.3 miles east of the Property, within the Los Padres National Forest (CNDDB #82). No bumble bees were observed during the site survey, however suitable grassland and scrub habitat with available pollen and nectar sources is available on the Property; therefore, the species may occur.
**Special Status Birds**

One special status bird species was observed on the Property; three special status bird species also have potential to occur on the Property.

**Cooper's hawk** (*Accipiter cooperii*) is a CDFW Watch List species (for nesting occurrences only) that occurs regularly in California during the winter months and during spring and fall migration (CDFW 2019). It is generally regarded as a regular but uncommon nesting species in San Luis Obispo County (Hall et al. 1992). Cooper's hawks frequent oak and riparian woodland habitats, and increasingly urban areas, where they prey primarily upon small birds (Curtis et al. 2006). The CNDDB documents only two historical occurrences of Cooper's hawk nesting in San Luis Obispo County, both near Los Osos, approximately 25 miles west of the Property. Records from eBird note several non-breeding records of Cooper's hawk in the vicinity of the Property. There is a moderate potential for Cooper's hawk to nest on the Property in dense oak woodlands. Cooper's hawk was not observed during the 2019 biological surveys.

**Oak Titmouse** (*Baeolophus inornatus*) was observed among oak trees and foothill pines on the Property. The oak titmouse is a Special Animal with nesting occurrences tracked by the CNDDB. The species is found year-round in suitable habitats (oak woodland, mixed oak-pine woodland, or juniper woodland) from northern California through northern Baja California, Mexico. They feed on insects, nuts and seeds and nest within tree cavities. There are no CNDDB records of nesting occurrences of oak titmouse within the 9-quad search area surrounding the Property, however it is a common species in oak woodlands on the central coast. The Property provides high quality foraging and nesting habitat. No nests were detected during the survey; however, it is likely the species utilizes trees on the Property for nesting.

**White-tailed Kite** (*Elanus leucurus*) is a CDFW Fully Protected species. The white-tailed kite is a year-round species throughout much of California, primarily west of the Sierra Nevada mountain ranges. Although more commonly associated with coastal areas, the species is not uncommon within inland areas of San Luis Obispo County. White-tailed kites primarily nest in evergreen trees, especially coast live oaks, near meadows, marshes, farmlands or grasslands where it forages on small animals, especially voles (Dunk 1995). Communal nocturnal roost sites, which may shift in location, are often used from early fall to early winter. The closest reported nesting occurrence of white-tailed kite is approximately 13 miles west of the Property, just south of the community of Santa Margarita (CNDDB #73). Records from eBird also note non-breeding occurrences of white-tailed kite between 2.5 to 4 miles south of the Property, near Pozo. No white-tailed kites were observed during site surveys. There is a low to moderate potential for white-tailed kite to nest on the Property. White-tailed kites were not observed during the 2019 biological surveys.

**Prairie Falcon** (*Falco mexicanus*) is a CDFW Watch List species. The species range extends throughout most of the western United States, into southern Canada and portions of Mexico. They are year-round residents in most of California, including San Luis Obispo County. Prairie falcon utilizes a variety of habitats but is primarily associated with perennial grasslands, savannahs, rangeland, some agricultural fields, and desert scrub areas (CDFW 2014). Nesting sites are usually in a scrape on a sheltered ledge of a cliff overlooking a large, open area. Occasionally the species will use old raven or raptor nests on a cliff. The CNDDB documents numerous occurrences of nesting prairie falcons within the 9 quad area surrounding the Property, dated between 1975 and 1981. The exact locations are not provided however only one location is within the Pozo Summit quad. eBird reports observations of the species in the general vicinity of Pozo. There is Moderate potential for prairie falcon to occur on the Property while foraging, and no nesting habitat is present. Prairie falcons were not observed during the 2019 biological surveys.

**Special Status Amphibians**
No special-status amphibians are expected to occur on the Property.

**California Red-legged Frog** (*Rana draytonii*) is a federally listed threatened species and a California Species of Special Concern. It occurs in California in the Coast Range, Sierras, the Transverse Range and south below 1,200 meters elevation (CDFW 2014, Sousa 2008). The main habitat types for the CRLF are deep, still or slow-moving sources of water in lowlands and foothills with shrubby, riparian, or vegetative shorelines for cover (CDFW 2014, CNDDDB 2017, Jennings and Hayes 1994). The most suitable vegetation types for cover are cattails (*Typha sp.*), arroyo willow (*Salix lasiolepis*) and bulrushes (*Scirpus sp.*) (Jennings and Hayes 1994). Along with its aquatic habitat, the CRLF also utilizes upland habitat for seeking food, shelter and as migration corridors between breeding and non-breeding sites. Mapped Critical Habitat for California red-legged frog is present approximately 3 miles south of the Property, however there are no reported occurrences of the species within 10 miles of the Property. There is no suitable aquatic habitat for the species within or immediately adjacent to the Property and CRLF is not expected to occur.

**Special Status Reptiles**

Two special-status reptile species, California glossy snake (*Arizona elegans occidentalis*) and northern California legless lizard (*Anniella pulchra*) have potential to occur on the Property. Both are considered Species of Special Concern by the California Department of Fish and Wildlife.

**California Glossy Snake** has a range that extends from Baja California, Mexico, north to the central San Joaquin Valley. It is found in a variety of habitats, including grasslands, shrublands, chaparral, and woodlands where it feeds on lizards and small mammals. The species is nocturnal and primarily spends daylight hours in mammal burrows or under rocks. The nearest reported occurrence of California glossy snake is approximately 7 miles north of the Property, along Highway 58 (CNDDDB #181). California glossy snake has a low to moderate potential to occur on the Property based on suitability of habitat. California glossy snakes were not observed during the survey of the Property; however, they are difficult to detect by reconnaissance level survey efforts.

**Northern California Legless Lizard** inhabits friable soils in a variety of habitats from coastal dunes to oak woodlands and chaparral. Adapted to subterranean life, the legless lizard thrives near native coastal shrubs that produce an abundance of leaf litter and have strong root systems (Kuhnz et al. 2005). Areas of exotic vegetation and open grassland do not provide suitable habitat for legless lizards since these plant communities support smaller populations of insect prey and offer little protection from higher ground temperatures and soil desiccation (Slobodchikoff and Doyen 1977; Jennings and Hayes 1994). The closest reported occurrence of northern California legless lizard is approximately 6.5 miles west of the Property (CNDDDB #224). The northern California legless lizard has a high potential to occur on the Property based on suitability of soils and habitat. Legless lizards were not detected during the April surveys, but focused surveys were not conducted and the species is likely to be present on the Property.

**Special Status Mammals**

Three special-status mammal species, pallid bat, Yuma myotis, and American badger, have potential to occur on the Property.

**Pallid Bat** (*Antrozous pallidus*) is a California Species of Special Concern. The pallid bat is a large long-eared bat that occurs throughout the state and occupies a wide variety of habitats. Although most common in open, dry areas ideal for foraging with rocky outcrops for roosting, pallid bats are also found regularly in oak and pine woodlands where they roost in caves, mines, rock crevices, tree cavities, and behind bark. Bridges are also frequently used by pallid bats, often as night roosts between foraging periods (Pierson et al. 1996). The closest reported occurrence of pallid bat is approximately 12.5 miles east of Property miles. Pallid bats
have a low to moderate potential to occur on the Property based on suitability of oak tree cavities and structures for roosting. A focused bat survey was not conducted as part of this study.

**Yuma Myotis** (*Myotis yumanensis*) is a Special Animal tracked by the California Department of Fish and Wildlife. The species is a small bat widely distributed throughout western North America and is the species of bat most commonly associated with man-made structures. It is often associated with permanent water sources. Crevices are preferred roost areas including those found in cliffs, buildings and bridges, although it will also roost in tree cavities (Bogan et al. 2005). Females will form large maternal roosts in the spring. Males are often solitary or roost in small aggregates. The nearest CNDDB occurrence is approximately 3.6 miles south of the Property along the Salinas River (CNDDB 57). *Yuma myotis* has a low to moderate potential to occur on the Property based on suitability of oak tree cavities and structures for roosting. A focused bat survey was not conducted as part of this study.

**American Badger** (*Taxidea taxus*) is a California Species of Special Concern. The species has a widespread range across the state (Brehme et al. 2015, CDFW 2014). It is a permanent but uncommon resident in all parts of California, except for forested regions of the far northwestern corner, and is more abundant in dry, open areas of most shrub and forest habitats (CNDDB 2019). The American badger requires friable soil in order to dig burrows for cover and breeding. The main food source for the species is fossorial rodents, mainly ground squirrels and pocket gophers (CDFW 2014). The breeding season for badgers is in summer and early fall, and females give birth to litters usually in March and April (CDFW 2014). The closest reported occurrence of American badger is a historical record from approximately 7.7 miles north of the Property along Highway 58 (CNDDB #222). No badgers or badger sign, such as digs or potential dens, were observed during the 2019 biological surveys. Suitable habitat and prey base for American badger is present and there is a low potential for the species to occur on the Property.

**Discussion**

(a) **Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?**

The CNDDB and CNPS On-line Inventory of Rare and Endangered Plants of California listed 52 special status plant species, subspecies, and varieties and 23 special status animal species known to occur in the vicinity of the Property (Attachment D). One additional plant species and 3 additional animal species were added to the lists based on observation on the Property or additional sources of information indicating potential presence. Critical Habitat for one animal, California red-legged frog (*Rana draytonii*) and one plant, Camatta Canyon amole (*Chlorogalum pomeridianum var. reductum*) is mapped within 5 miles of the Property. No sensitive natural communities were reported from the region.

The Property has potential to support 13 special status plant species and 10 special status animal species, based on an analysis of known ecological requirements of the species and the habitat conditions that were observed on site (Table 1 and Table 2). There are no sensitive natural communities on the Property. Below we discuss the potential special status plant and animal species that may occur and describe habitat, range restrictions, known occurrences, and survey results for the Property. Additionally, although not expected to occur, we discuss two listed species within Critical Habitat within 5 miles of the Property: Camatta Canyon amole and California red-legged frog.
Special Status Plants

Two special status plant species, paniculate tarplant and California spineflower, were detected in the southwestern portion of the Property during appropriately timed spring and summer botanical surveys in 2019. Both are CRPR 4.2 species. Approximately 1,500 paniculate tarplants were present with patches totaling of 0.97 acres, or 42,253 square feet. Based on the site plans evaluated (Wallace Group, April 19, 2019) approximately 60 percent (0.58 acre) of the paniculate tarplants mapped on the Property would be permanently impacted by placement of greenhouses, ancillary nurseries, fencing, water lines, Area 1 outdoor canopy, portions of the access road, and potentially by storm water treatment retention basins. Adjustments to the locations of some of these project components could reduce the amount of impacts to paniculate tarplant.

Approximately 50 California spineflower plants were detected in an area totaling approximately 0.04 acre (1,742 square feet) in size. Based on the site plans evaluated (Wallace Group, April 19, 2019) approximately 50 percent (0.02 acre) of the spineflowers mapped on the Property will be permanently impacted by a potential storm water treatment retention basin and a bio swale. April 19, 2019 site plans indicate these two features as “potential” locations. Adjustments to the locations of these project components could potentially eliminate impacts to California spineflower.

Special Status Invertebrates

One special status invertebrate species, crotch bumble bee, has potential to occur on the Property. Impacts to the species, if present, are anticipated to be negligible due to the availability of suitable habitat for nesting and foraging surrounding the project. Additionally, the Cannabis operation would be subject to California Department of Food and Agriculture regulations related to the use of pesticides. Therefore, no mitigation measures are recommended for crotch bumble bee.

Special Status Birds

Four special status bird species, Cooper's hawk, oak titmouse, white-tailed kite, and prairie falcon have potential to occur on the Property. With the exception of prairie falcon, the birds also have potential to nest on the Property. Construction and operation of the project are expected to have minimal impacts to foraging behavior or availability of prey. Cooper's hawk, oak titmouse, whitetailed kite utilize trees for nesting, especially oak trees, and could be impacted if tree trimming or tree removal activities are conducted during the nesting season (February 1 to September 15).

Additionally, migratory non-game native bird species are protected by international treaty under the Federal Migratory Bird Treaty Act (MBTA) of 1918 (50 C.F.R. Section 10.13). Sections 3503, 3503.5 and 3513 of the California Fish and Game Code prohibit take (as defined therein) of all native birds and their active nests, including raptors and other migratory non-game birds (as listed under the Federal MBTA).

Special Status Reptiles

Two special-status reptiles, northern California legless lizard and California glossy snake could occur on the Property. If present, these species may be injured or killed during ground or vegetation disturbance activities associated with the development of new roadways, trenching for water infrastructure, or establishing the new cultivation sites and structures. Impacts to California glossy snake could also occur during project operations if a snake were to be injured or killed by vehicles, particularly when driving after dark.
Special Status Mammals

Three special-status mammals, pallid bat and Yuma myotis, and American badger, have potential to occur on the Property. If present, bat species could be impacted by disturbance of roosting sites, such as trimming or removal of trees [including dead trees], or dismantling existing structures. Additionally, bats may also be impacted by an increase in artificial lighting. Project construction activities such as grading, trenching, or placement of green houses, nurseries, and sea trains could result in injury of American badger adults or young, or disturbance of natal dens and abandonment by adult badgers. Impacts to badgers could also occur during project operations if a badger were to be injured or killed by vehicles, particularly after sunset. Implementation of BR-4 (nighttime speed limits) will help reduce potential impacts from vehicles.

(b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?

(c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?

The Project does not propose any direct impacts to the bed, bank, or channel of the ephemeral drainage on the Property. Project components within 50 feet of the top of bank of the drainage are limited to fencing, upgrading approximately 100 linear feet of existing dirt access road to all-weather road, and establishment of approximately 200 feet of new all-weather road.

The California Department of Fish and Wildlife regulates activities that divert or obstruct the natural flow of, or substantially change or use any material from the bed, channel, or ban of any river, stream, or lake. CDFW has initiated a Cannabis cultivation permitting program that requires all applicants obtaining an Annual License from the California Department of Food and Agriculture to have a Lake and Streambed Alteration Agreement (LSAA) or written verification that one is not needed. If all Project components are set outside the 1600 jurisdiction a Self-Certification can be submitted online. More information about the CDFW Cannabis program and permitting can be found at [https://www.wildlife.ca.gov/Conservation/Cannabis/Permitting](https://www.wildlife.ca.gov/Conservation/Cannabis/Permitting).

The State Water Resource Control Board (SWRCB) has also initiated a Cannabis Cultivation Program to establish principles and guidelines (requirements) for cannabis cultivation activities to protect water quality and instream flows. To implement the program, the Cannabis Cultivation General Order was adopted and provides for a permitting pathway for cultivators. The General Order provides criteria to evaluate the threat to water quality based on site conditions and waterway classification. More information about the State Water Board Cannabis Cultivation can be found at [http://www.waterboards.ca.gov/water_issues/programs/cannabis](http://www.waterboards.ca.gov/water_issues/programs/cannabis).

The drainage that passes through the Property is classified as an ephemeral watercourse (Class III) under the definitions of the State Water Resources Control Board General Order for Cannabis Cultivation Activities (Order WQ 2017-0023-DWQ). Under the General Order, a minimum 50-foot setback is required from the bank-full stage or incised channel of Class III watercourses. Figure 5 provides a Project footprint overlay on biological resources and indicates a minimum 50-foot setback from the waterway.

The cannabis cultivation permitting programs through the CDFW and the State Water Resource Control Board will provide a thorough review of the Project's potential impacts to water quality.
Standard requirements from the SWRCB will include best management practices for erosion control, fertilizer storage and use, pesticide storage and application, and site winterization. The project will also be required to obtain coverage under the SWRCB's Construction General Permit, due to disturbance of more than one acre of land. Thus, a site-specific Storm Water Pollution Protection Plan (SWPPP) will likely be developed and implemented for the Project. No significant Project Features are located within 50 feet of the top of bank of the drainage and most are more than 100 feet from the top of bank. Therefore, no further recommendations are provided for protection of the drainage, beyond implementation of the CDFW and SWRCB cannabis cultivation requirements and the Project SWPPP.

(d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?

Maintaining connectivity among areas of suitable habitat is critical for dispersal, migration, foraging, and genetic health of plant and wildlife species. The project site is in a rural area of San Luis Obispo County, surrounded by large ranches with dense oak woodlands. Existing barriers to migration to and from non-developed portions of the project site, particularly for wildlife, are influenced by the dense stands of oak woodland in the region, and an absence of intensive agricultural activities which typically correlate with a high frequency of land manipulation, wildlife-exclusion fences, and pest management activities. As a result, natural habitat features are largely unfragmented on properties surrounding the project site. New localized barriers will be created by the conversion of the open areas of the site to permanent or semi-permanent structures, which may deter general wildlife movement through the area; however, no large-scale passage barriers are proposed. Further, no passage barriers through aquatic features are proposed as a part of the project. Therefore, the proposed project is not expected to increase the overall level of fragmentation in the region.

(e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?

Section 21083.4 of the CEQA statutes requires the County to assess whether a project may result in the conversion of oak woodlands that will have a significant effect on the environment. If the County determines that there may be a significant effect to oak woodlands with trees with a diameter of 5 inches at breast height, the County must require one or more oak woodlands mitigation alternatives. Accordingly, oak trees are considered a sensitive resource because they are protected by the County. The County requires mitigation for impacts to or removal of native oak trees with a diameter at breast height (DBH) of five inches or greater, as measured at a height of four feet six inches above ground. Impacts include any ground disturbance within the critical root zone of one and one-half times the canopy/dripline, trunk damage, or any pruning of branches three inches in diameter or greater.

The proposed project may result in the removal of a small number of oak trees. Some tree trimming is also likely. A leach field will be installed; however, the final location has not been selected. Oak trees are adapted to low to moderate precipitation and locating the leach field within 50 feet of the drip line of an oak tree could cause negative impacts to the tree from overwatering. The removal of oak trees is considered a significant impact unless mitigated.
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(f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

The project is not located in an area governed by an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. No impacts will occur.

Conclusion

With implementation of Mitigation Measures BIO-1, BIO-2 and BIO-3 potential impacts to biological resources would be less than significant. In addition, State law also sets forth general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Sections 8304 (a) and (b) require cannabis projects to:

(a) Comply with section 13149 of the Water Code as implemented by the State Water Resources Control Board, Regional Water Quality Control Boards, or California Department of Fish and Wildlife;

(b) Comply with any conditions requested by the California Department of Fish and Wildlife or the State Water Resources Control Board under section 26060.1(b)(1) of the Business and Professions Code;

Mitigation

BR-1 Mitigation for permanent impacts to paniculate tarplant and California spineflower, both CRPR 4.2 species, shall be preservation and/or creation of tarplant habitat at a 1:1 ratio (preserved/created habitat: impacted habitat). The goal of this mitigation measure is to ensure paniculate tarplant and California spineflower persist outside the Project footprint, within the Property limits, in an area at least as large as the pre-Project condition of, 0.97 acre and 0.04 acre. Prior to building permit issuance, and to ensure the success of onsite preserved land and compensation of temporary and permanent impacts to paniculate tarplant and California spineflower, the Applicant shall retain a County-qualified biologist to prepare a Habitat Mitigation and Monitoring Plan (HMMP) for review and approval by the County. To achieve the goal of establishing or retaining a successful and high quality habitat in the areas specified, the HMMP will include, at a minimum, the following information:

a. A summary of anticipated impacts and proposed mitigation for paniculate tarplant (Deinandra paniculate) and California spineflower (Mucronea californica).

b. Detailed graphics showing the boundaries of native areas proposed for preservation and areas proposed for habitat restoration once construction is completed.

c. A list of performance measures and success criteria upon which to base the successfulness of measures implemented over the specified period of time, and remediation measures to be taken should such interim or long-term objectives not be achieved.

d. Discussion of short- and long-term management to be performed to ensure habitat and sensitive species preservation. If grazing is proposed as a management tool, adequate detail shall be included to demonstrate how it is supporting the primary objective to preserve the native habitat and sensitive species.

e. The HMMP shall also include specific objectives, monitoring methods, data analysis, reporting requirements, monitoring schedule, etc.
Monitoring and maintenance will be conducted for a minimum of five years after the completion of construction activities. The monitoring strategy, should include, at the minimum, the following:

1. Document pre-project population levels for the sensitive species or habitat originally identified.
2. Monitor species/habitat population(s) upon completion of construction activities, during project operation, for a minimum of three years.

A contingency plan shall be created for mitigation elements that do not meet performance or final success criteria within five years. The contingency plan will include specific triggers for remediation if performance criteria are not being met and actions to be taken to resolve the problems identified.

The Applicant shall prepare a cost estimate for the above work, for review and approval by the County. A financial assurance mechanism acceptable to the County shall be established to ensure completion of the approved HMMP.

Prior to construction and during construction, within one week prior to any ground or vegetation disturbance activities, including equipment staging and mowing, if work occurs between February 1 and September 15, nesting bird surveys shall be conducted. Surveys may be phased if appropriate to coincide with scheduled construction activities. If surveys do not locate nesting birds, construction activities may be conducted. If nesting birds are located, no construction activities shall occur within 100 feet of nests. Occupied nests of special status bird species within Project work areas shall be mapped using GPS or survey equipment. Work shall not be allowed within a 300-foot buffer (for non-raptors) or 500-foot buffer (for raptors) while the nest is in use. The buffer zone shall be delineated on the ground with highly visible fencing or rope barriers where it overlaps work areas. The Project biologist conducting the nesting survey shall recommend an appropriate buffer depending upon site conditions and the species for review and approval by the County in consultation with CDFW. Occupied nests of special status bird species shall be monitored at least every two weeks through the nesting season to document nest success and check for Project compliance with buffer zones. Once nests are deemed inactive and/or chicks have fledged and are no longer dependent on the nest, work may commence in these areas. A pre-construction survey report shall be submitted to the County immediately upon completion of the survey. The report shall detail appropriate fencing or flagging of the buffer zone and make recommendations on additional monitoring requirements, where applicable. A map of the Project site and nest locations shall be included with the report.

A focused preconstruction survey for legless lizards and California glossy snake shall be conducted in proposed disturbance areas immediately prior to (within 24 hours of) ground-breaking or vegetation removal activities that would affect potentially suitable habitat, as determined by the project biologist. The preconstruction survey shall be conducted by a qualified biologist to relocate legless lizards and glossy snakes out of harm's way. If ground or vegetation disturbance activities do not commence within 24 hours of the survey, the survey shall be repeated. Surveys may be staggered to allow flexibility with the construction schedule. If the focused survey results are negative no further action shall be required. If legless lizards or glossy snakes are found to be present in the proposed work areas the following steps shall be taken:
Initial Study – Environmental Checklist

1. Legless lizards shall be captured by hand by the project biologist and relocated to an appropriate location well outside the project areas.

2. California glossy snakes shall be allowed to move from the work area, or if necessary, shall be captured by hand by the project biologist and relocated to an appropriate location well outside the project areas.

3. Construction monitoring shall be required during all new ground-breaking activities located within legless lizard or glossy snake lizard habitat.

4. A letter report of the finding of the preconstruction survey and any monitoring shall be submitted to the County within 30 days of completion.

BR-4 The nighttime (sunset to sunrise) speed limit on project roadways shall not exceed 15 miles per hour after sunset during project construction and operations. During construction, the nighttime speed limit shall be posted at the site entrance. At least one permanent speed limit sign shall be posted along the facility access road during operations.

BR-5 Prior to removal of any trees, including dead trees, a survey shall be conducted by a qualified biologist to determine if any of the trees proposed for removal harbor sensitive bat species or maternal bat colonies. If a non-maternal roost is found, the qualified biologist, with prior approval from California Department of Fish and Wildlife, will install one-way valves or other appropriate passive relocation method. For each occupied roost removed, one bat box or crevice structure shall be installed in similar habitat and should have similar cavity or crevices properties to those which are removed, including access, ventilation, dimensions, height above ground, and thermal conditions. Maternal bat colonies may not be disturbed during the breeding season and shall be avoided by 50 feet while active.

BR-6 Existing structures proposed for removal or Project use shall be surveyed for bats by a qualified biologist prior to dismantling or using to determine if roosting bats are present. If a colony of bats is found roosting in any structure, further surveys shall be conducted sufficient to determine the species present and the type of roost (day, night, maternity, etc.) If the bats are not part of an active maternity colony, passive exclusion measures may be implemented with approval from CDFW. If maternal bat colonies are located in a structure, the structure shall not be dismantled until breeding activity is complete (young have matured). If bats are roosting in a structure on the Property during the daytime but are not part of an active maternity colony, then exclusion measures must include one-way valves that allow bats to get out but are designed so that the bats may not re-enter the structure. For each occupied roost removed, one bat box or crevice structure shall be installed in similar habitat and should have similar cavity or crevices properties to those which are removed, including access, ventilation, dimensions, height above ground, and thermal conditions.

BR-7 Security and night lighting should be pointed away or shielded from oak woodland habitat and kept to the minimum extent feasible while maintaining the safety and operation of the facility.

BR-8 Pre-construction survey for American badger. A qualified biologist shall complete a pre-construction survey for badger no less than 14 days and no more than 30 days prior to the start of initial project activities to ensure badger is not present within all proposed work areas and a 200-foot buffer. If dens are discovered, they shall be inspected to determine if they are currently occupied. If active badger dens are found, an exclusion zone shall be established around the den. A minimum of a 50-foot exclusion zone shall be established during the non-breeding season (July 1 to January 31) and a minimum 100-foot exclusion zone during the breeding season (February 1 to June 30). Each
exclusion zone shall be roughly circular in configuration with a radius of 50 feet (non-breeding season) or 100 feet (breeding season) measured outward from the burrow entrances. All foot and vehicle traffic, as well as all project activities, including storage of supplies and equipment, shall remain outside of exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, or it has been determined by a qualified biologist that the den is no longer in use. If avoidance is not possible during project construction or continued operation, the appropriate resource agency shall be contacted for further guidance. The results of the survey shall be provided to the County prior to initial project activities.

If a significant amount of time lapses between different phases of project activities (e.g., vegetation trimming and the start of grading), where no or minimal work activity occurs, the badger survey shall be updated. The amount of time necessary to trigger an updated survey will depend on the work location, habitat of the area to be disturbed, and season during which work is planned.

**BR-9** Prior to commencement of Project construction activities, tree protection fencing shall be installed along the outer limit of the critical root zone (1.5 times the trunk diameter) of all oak trees within 50 feet of Project activities. The fencing shall be in place for the duration of the construction occurring within 50 feet of the trees. Where approved Project activities are within the critical root zone, fencing shall be temporarily moved to facilitate the work. A biological monitor or arborist shall be present during approved Project activities within the critical root zone to document impacts to the trees, and shall provide a written report to the County of any mitigation obligation.

**BR-10** Impacts to the oak canopy or critical root zone should be avoided where practicable. Impacts include pruning, any ground disturbance within the dripline or critical root zone of the tree (whichever distance is greater), placement of leach field component within 50 feet of critical root zones, and trunk damage. Impacts to native oak trees shall be mitigated through one of the following options:

A. **Planting additional trees on site.** Any oak trees greater than 5 inches DBH shall be replaced in kind at a 4:1 ratio if removed, and a 2:1 ratio if impacted. Oaks impacted shall be replaced in kind at a 2:1 ratio. Replacement trees shall be of one gallon size, of local origin, and of the same species as was impacted. Replacement trees shall be seasonally maintained (browse protection, weed reduction and irrigation, as needed) and monitored annually for at least seven years.

B. **Conservation or Open Space Easement.** A conservation or open space easement may be established on the Property to mitigate for impacts to oak trees. The size of the easement will be determined by the number of oak trees removed and/or impacted. For every tree removed, 4,000 square feet of oak woodland habitat will be preserved. For every tree impacted, 2,000 square feet of oak woodland habitat will be preserved. An open space easement, management agreement, or covenant shall be recorded and included information on allowed uses and management within the preserved area.

**Sources**

See Exhibit A.
V. CULTURAL RESOURCES

Would the project:

(a) Cause a substantial adverse change in the significance of a historical resource pursuant to § 15064.5?

☐  ☐  ☒  ☐

(b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?

☐  ☐  ☒  ☐

(c) Disturb any human remains, including those interred outside of dedicated cemeteries?

☐  ☐  ☒  ☐

Setting

The project site is located within an area historically occupied by the Obispeno Chumash and Salinan. No historic structures are present, and no paleontological resources are known to exist within one-half mile of the project site.

The potential for the presence, or regular activities of, Native Americans increases in proximity to reliable water sources. An approximately 1,630-foot stretch of an unnamed ephemeral drainage runs in a general northeast-southeast direction through the property. The headwaters of the drainage begin approximately 1 mile upstream in the foothills of the La Panza Ranges. There are no ‘blue line’ creeks on the project site; however, Toro Creek is located roughly one-half mile to the west.

A Phase I Archaeological Surface Survey of the project site was conducted in 2018 by Heritage Discoveries, Inc (October 18, 2018). The study was conducted by a qualified archaeologist consistent with County guidelines and includes a cultural resources records search, a site visit, and the preparation of a technical report documenting the results of the assessment, along with management recommendations.

In accordance with AB 52 cultural resources requirements, outreach to numerous Native American tribes has been conducted: Santa Ynes Band of Chumash Indians, Barbareno/Ventureno Band of Mission Indians, Monterey Salinan, Xolon Salinan, yak titu titu yak tilhini Northern Chumash, Coastal Chumash, and Northern Chumash Tribal Council (NCTC). A response was received from the Salinan Tribal Administrator requesting a copy of the archaeological report. No further consultation was requested.
Discussion

(a) *Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?*

The project's October 2018 report identified no historical resources within the Beanway Project area. Based on the results of the records search and surface survey, the potential for historic resources to be located on-site are low. The existing poultry building was determined to not meet the definition of a significant historic resource as set forth in §15064.5 of the CEQA Guidelines.

(b) *Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?*

A records search of the Central Coast Information Center (CCIC), located at the University of California, Santa Barbara performed for the Phase I study revealed recorded archaeological sites and surveys within a one-half mile radius of the study area. The results showed that the specific study area had not been subject to a previous archaeological survey and that one archaeological survey with negative results has taken place adjacent to the northeast corner of the property (Clift & Farrell 2001). The project's Phase I Report concluded that based on negative results from the surface survey and records search, no further archaeological studies should be required for this project.

AB 52 consultation outreach was conducted for this project, and no tribal cultural resources were identified.

(c) *Disturb any human remains, including those interred outside of dedicated cemeteries?*

No human remains have been associated with the project site. However, in the unlikely event resources are uncovered during grading activities, implementation of LUO Section 20.10.040 (Archaeological Resources Discovery) would be required. This section requires that, in the event archaeological resources are encountered during project construction, construction activities cease, and the County Planning Department be notified of the discovery. If the discovery includes human remains, the County Coroner shall also be notified.

Conclusion

No significant impacts to archaeological, historical, or paleontological resources are expected, and no mitigation measures beyond compliance with the LUO are necessary to mitigate for the unlikely discovery of archaeological, historic, prehistoric, or human burials. In addition, State law also sets forth general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Section 8304 (d) requires the project to immediately halt cultivation activities and implement section 7050.5 of the Health and Safety Code if human remains are discovered.

Mitigation

None are required.

Sources

See Exhibit A.
VI. ENERGY

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
<tr>
<td>(b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

Setting

Pacific Gas & Electric Company (PG&E) is the primary electricity provider for urban and rural communities within the County of San Luis Obispo. Approximately 33% of electricity provided by PG&E is sourced from renewable resources and an additional 45% is sourced from greenhouse gas-free resources (PG&E 2017).

PG&E offers two programs through which consumers may purchase electricity from renewable sources: the Solar Choice program and the Regional Renewable Choice program. Under the Solar Choice program, a customer remains on their existing electric rate plan and pays a modest additional fee on a per kWh basis for clean solar power. The fee depends on the type of service, rate plan and enrollment level. Customers may choose to have 50% or 100% of their monthly electricity usage to be generated via solar projects. The Regional Renewable Choice program enables customers to subscribe to renewable energy from a specific community-based project within PG&E’s service territory. The Regional Renewable Choice program allows a customer to purchase between 25% and 100% of their annual usage from renewable sources.

SoCalGas is the primary provider of natural gas for urban and rural communities with the County of San Luis Obispo. SoCalGas has committed to replacing 20% of its traditional natural gas supply with renewable natural gas by 2030 (Sempra 2019).

The County COSE establishes goals and policies that aim to reduce vehicle miles traveled, conserve water, increase energy efficiency and the use of renewable energy, and reduce greenhouse gas emissions. The COSE provides the basis and direction for the development of the County's EnergyWise Plan (EWP), which outlines in greater detail the County's strategy to reduce government and community-wide greenhouse gas emissions through a number of goals, measures, and actions, including energy efficiency and development and use of renewable energy resources.

In 2010, the EWP established a goal to reduce community-wide greenhouse gas emissions to 15% below 2006 baseline levels by 2020. Two of the six community-wide goals identified to accomplish this were to “[a]ddress future energy needs through increased conservation and efficiency in all sectors” and “[i]ncrease the production of renewable energy from small-scale and commercial-scale renewable energy installations to account for 10% of local energy use by 2020.” In addition, the County has published an EnergyWise Plan 2016 Update to summarize progress toward implementing measures established in the EWP and outline overall trends in energy use and emissions since the baseline year of the EWP inventory (2006).
Initial Study – Environmental Checklist

The goals and policies in the COSE and EWP address the 2005 GHG emissions reduction targets for California (Executive Order S-03-05) issued by California's Governor in 2005. The targets include:

- By 2010 reduce GHG emissions to 2000 levels;
- By 2020, reduce GHG emissions to 1990 levels;
- By 2050, reduce GHG emissions to 80% below 1990 levels.

The California Building Code (CBC) contains standards that regulate the method of use, properties, performance, or types of materials used in the construction, alteration, improvement, repair, or rehabilitation of a building or other improvement to real property. The CBC includes mandatory green building standards for residential and nonresidential structures, the most recent version of which are referred to as the 2019 Building Energy Efficiency Standards. These standards focus on four key areas: smart residential photovoltaic systems, updated thermal envelope standards (preventing heat transfer from the interior to the exterior and vice versa), residential and nonresidential ventilation requirements, and nonresidential lighting requirements. While the CBC has strict energy and green-building standards, U-occupancy structures (such as greenhouses) are typically not regulated by these standards.

The County LUO includes a Renewable Energy Area combining designation to encourage and support the development of local renewable energy resources, conserving energy resources and decreasing reliance on environmentally costly energy sources. This designation is intended to identify areas of the county where renewable energy production is favorable and establish procedures to streamline the environmental review and processing of land use permits for solar electric facilities (SEFs). The LUO establishes criteria for project eligibility, required application content for SEFs proposed within this designation, permit requirements, and development standards (LUO 22.14.100). The project site is not located in a Renewable Energy Area combining designation.

Energy Use in Cannabis Operations

The total energy demand of a cannabis operation depends heavily on the type of cultivation, manufacturing, location of the project, as well as the types of equipment required. Outdoor cultivation involves minimal equipment and has relatively low energy demands, while indoor cultivation involves more equipment that tends to have much higher energy demands (e.g., high-intensity light fixtures, and climate control systems) (County of Santa Barbara 2017). Specific energy uses in indoor grow operations include high-intensity lighting, dehumidification to remove water vapor and avoid mold formation, odor management, space heating or cooling during non-illuminated periods and drying processes, preheating of irrigation water, generation of CO2 from fossil fuel combustion, and ventilation and air conditioning to remove waste heat. Reliance on equipment can vary widely as a result of factors such as plant spacing, layout, and the surrounding climate of a given facility (CDFA 2017).

Comparatively, non-cultivation cannabis operations, such as distribution or retail sales, tend to involve typical commercial equipment and processes that may require minor to moderate amounts of power. These non-cultivation activities are subject to the CBC and 2019 Building Energy Efficiency Standards, and therefore do not typically result in wasteful or inefficient energy use. Activities and processes related to commercial cannabis do not typically require the demand for natural gas supplies, and it is assumed that such activities would represent a nominal portion of the County's total annual natural gas demand (County of Santa Barbara 2017).

Depending on the site and type of activities, cannabis operations may range in measures that promote the conservation of energy resources. For instance, several current operators are known to engage in practices...
that promote energy conservation and reduce overall energy demands using high-efficiency lighting or through generation and use of solar energy. However, many other operations within the County have been observed to engage in activities which are highly inefficient and may result in the wasteful use of energy resources. Such operations may include the use of old equipment, highly inefficient light systems (e.g., incandescent bulbs), reliance on multiple diesel generators, and other similar inefficiencies (County of Santa Barbara 2017).

Discussion

(a) Result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?

Construction-related Impacts. During construction, fossil fuels, electricity, and natural gas would be used by construction vehicles and equipment. The energy consumed during construction would be temporary in nature and would be typical of other similar construction activities in the County. State and federal regulations in place require fuel-efficient equipment and vehicles and prohibit wasteful activities, such as diesel idling. Construction contractors, in an effort to ensure cost efficiency, would not be expected to engage in wasteful or unnecessary energy and fuel practices. Energy consumption during construction would not conflict with a state or local plan for renewable energy and would not be wasteful, unnecessary, or inefficient, and therefore would be less than significant.

Operational Impacts

Electricity and Natural Gas. A cannabis project would result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources during operation if it utilizes significantly more energy (>20%) than a generic commercial building of the same size. Based on the California Energy Commission Report prepared by Itron, Inc, (March 2006), a generic commercial building utilizes 21.25 kWh/sf annually (13.63 kWh from electricity and 7.62 kWh from natural gas).

The CBC 2019 Building Energy Efficiency Standards includes mandatory energy efficiency standards; however, U-occupancy structures (such as greenhouses) are exempt from these standards and therefore are not necessarily using efficient energy practices. A project's processing, manufacturing, distribution, or retail structure would be subject to the CBC 2019 Building Energy Efficiency Standards, and therefore the energy demand of these uses would not be wasteful, inefficient, or unnecessary. Because the cultivation activities would not be subject to these state energy efficiency regulations, they could potentially result in wasteful, inefficient, or unnecessary energy consumption.

In order to calculate a project's energy demand the County will use the energy consumption rates from the County of Santa Barbara Cannabis Energy Conservation Plan Electricity Use Calculation Form (County of Santa Barbara 2018). This calculation form contains formulas for estimating electricity use of cannabis operations. The form assumes that indoor cultivation uses 200 kWh/sf annually and that mixed light (greenhouse) cultivation uses 110 kWh/sf annually. Because the County does not allow lighting or climate control for outdoor cultivation activities, it is assumed that energy use associated with outdoor cultivation (e.g. water pump) would be minor and less than significant. As discussed above, non-cultivation activities such as manufacturing would be subject to CBC standards regarding energy efficiency and therefore would not result in wasteful or inefficient energy use for the purpose of this analysis.
The proposed project would include 72,780 sf of indoor cultivation plus commercial and ancillary nursery floor area. The project also includes a new, 10,000 sq.ft., kilowatt (kw) photovoltaic (PV) solar array with onsite storage and feedback capabilities. A 10,000 sq.ft. PV array produces an average of 15 watts per square foot which in turn would generate about 150 kilowatts. Assuming the system operates for eight hours per day, the system would produce about 150 kw x 8 hrs = 1,200 kw hours per day, or about 324,000 kilowatt hours per year. The actual generating capacity will be determined when the system is designed.

A preliminary estimate of the project's energy demand, based on the energy consumption rates from the County of Santa Barbara Cannabis Energy Conservation Plan Electricity Use Calculation Form (County of Santa Barbara 2018), is provided in Table 6. No diesel, gasoline, or natural gas is proposed.

### Table 6 -- Project's Projected Operational Energy Use Compared With a Generic Building of Comparable Floor Area

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Size (sf)</th>
<th>Rate (kWh/year-sf)</th>
<th>Projected Energy Demand (kWh/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generic Commercial Building of Comparable Size</td>
<td>72,780</td>
<td>21.25</td>
<td>1,546,575</td>
</tr>
<tr>
<td>Indoor Cultivation and Nursery</td>
<td>200</td>
<td>200</td>
<td>14,556,000</td>
</tr>
<tr>
<td><strong>Percent In Excess of Generic Commercial Building</strong></td>
<td></td>
<td></td>
<td><strong>841%</strong></td>
</tr>
</tbody>
</table>

Based on the California Energy Commission Report, a typical non-cannabis commercial building of 72,780 sf would use 1,546,575 kWh per year (21.25 kWh/sf x 72,780 sf). Based on the energy consumption rates above, the proposed project’s cultivation activities would use 841% more energy than a generic non-cannabis commercial building of the same size. This amount of energy use would potentially be wasteful and inefficient when compared to similar sized buildings implementing energy efficiency measures and would require mitigation.

**Fuel Use.** Construction activities will result in fuel use for worker and delivery trips and the operation of construction equipment. Ongoing operation of the project will result in fuel use associated with employee motor vehicle trips and deliveries. For purposes of determining whether fuel use would be wasteful and inefficient and cumulatively considerable, project-related fuel use will be compared with the total fuel use from motor vehicles in San Luis Obispo County.

Table 7 provides a summary of total sales of gasoline and diesel fuel in San Luis Obispo County in 2018.
Table 7 -- State and County Fuel Consumption in 2018

<table>
<thead>
<tr>
<th>Fuel</th>
<th>Statewide</th>
<th>San Luis Obispo County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline</td>
<td>13,475 million gallons</td>
<td>150 million gallons (or, about 410,958 gallons per day)</td>
</tr>
<tr>
<td>Diesel</td>
<td>1,602 million gallons</td>
<td>22 million gallons</td>
</tr>
</tbody>
</table>

Source: California Energy Commission

Assumptions:
- Daily vehicle miles travelled in San Luis Obispo County in 2020 (estimate from 2014 Regional Transportation Plan): 7,998,615.
- 172 million gallons of fuel consumed per year / 365 days = 471,232 gallons of fuel use per day
- 471,232 gallons of gasoline and diesel fuel consumed per day / 7,998,615 miles travelled per day = 0.058 gallons of fuel consumed per day per mile travelled
- Average Daily Trips (ADT) for Project x 14.7 miles = Daily Vehicle Miles Travelled (VMT)
- Daily VMT x gallons per mile travelled = Daily gallons of fuel use
- Three worker trips and 1 delivery trip per day for construction activities for 10 working days
- 13.5 Average Daily Trips for operations for 365 days

Construction Fuel Use
4 ADT x 14.7 miles = 58.8 VMT per day
58.8 x 10 days = 588.8 total VMT
588.8 x 0.058 gallons consumed per mile travelled = 34.1 gallons

Operational Fuel Use
13.5 ADT x 14.7 miles = 198.45 VMT per day
198.45 x 365 days = 72,434 total VMT per year
72,434 x 0.058 gallons consumed per mile travelled = 4,201 gallons per year

Total fuel use associated with construction and operation of the project would be 0.9% of the total daily fuel consumed in the County in 2018. Accordingly, fuel consumption associated with the project would not be wasteful, inefficient or unnecessary.

Greenhouse Gases. Energy inefficiency contributes to higher greenhouse gas (GHG) emissions and by nature is in conflict with state and local plans for renewable energy or energy efficiency, including the policies of the COSE, the EWP goals, and the 2001 SLOAPCD CAP. (Additional background information on GHG Emissions is in Section VIII.) CalEEMod can be used to determine GHG emissions from a “typical” amount of indoor or mixed light cultivation:
Table 8 -- Project’s Projected Operational GHG Emissions (CO$_2$e)

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Size (sf)</th>
<th>Rate (MT/year-sf)</th>
<th>Projected GHG Emissions (MT/CO$_2$e/year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mixed-Light Cultivation (greenhouses, includes nursery)</td>
<td>72,780</td>
<td>0.058$^1$</td>
<td>4,221$^2$</td>
</tr>
<tr>
<td>TOTAL</td>
<td>72,780</td>
<td>-</td>
<td>4,221</td>
</tr>
</tbody>
</table>

Notes:
1. Source: CalEEMOD 2016
2. Includes GHG emissions associated with energy use and fuel consumption.

Based on this information, the proposed project would exceed the SLOAPCD’s Bright Line Threshold of 1,150 MTCO$_2$e. To mitigate this potential operational impact, the project will be required to implement a package of measures that would reduce or offset the project’s energy demand to within 20% of the energy demand of a similarly sized generic non-cannabis commercial building (991,440 kWh) and offset GHG emissions to achieve the 1,150 MTCO$_2$e Bright Line Threshold.

Mitigation Measures ENG-1 through ENG-3 would reduce the project’s environmental impact from wasteful and inefficient energy use to less than significant with mitigation.

Potential impacts would be less than significant with mitigation.

Conclusion

The project would result in a potentially significant energy demand during long-term operations and would potentially conflict with state or local renewable energy or energy efficiency plans.

In addition, State law also sets forth general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Section 8305 relating to Renewable Energy Requirements:

Beginning January 1, 2023, all indoor, tier 2 mixed-light license types of all sizes, and nurseries using indoor or tier 2 mixed-light techniques, shall ensure that electrical power used for commercial cannabis activity meets the average electricity greenhouse gas emissions intensity required by their local utility provider pursuant to the California Renewables Portfolio Standard Program, division 1, part 1, chapter 2.3, article 16 (commencing with section 399.11) of the Public Utilities Code.

Compliance with the provisions of Code of Regulations together with recommended mitigation measures ENG-1, ENG-2, and ENG-3 will reduce potential impacts to less than significant.
**Mitigation**

**ENG-1. Prior to issuance of building permits,** the applicant shall provide to the Department of Planning and Building for review and approval, an Energy Conservation Plan with a package of measures that, when implemented, would reduce or offset the project’s energy demand to within 20% of the demand associated with a generic commercial building of the same size. The Energy Conservation Plan shall include the following:

a. A detailed inventory of energy demand prepared by a Certified Energy Analyst. The inventory shall include an estimate of total energy demand from all sources associated with all proposed cannabis cultivation activities including, but not limited to, lighting, odor management, processing, manufacturing and climate control equipment. The quantification of demand associated with electricity shall be expressed in total kilowatt hours (kWh) per year; demand associated with natural gas shall be converted to kWh per year.

b. A program for providing a reduction or offset of all energy demand that is 20% or more than a generic commercial building of the same size. Such a program (or programs) may include, but is not limited to, the following:

i. Evidence that the project will permanently source project energy demands from renewable energy sources (i.e. solar, wind, hydro). This can include purchasing the project’s energy demand from a clean energy source by enrolling PG&E's Solar Choice program or Regional Renewable Choice program or other comparable public or private program.

ii. Evidence documenting the permanent retrofit or elimination of equipment, buildings, facilities, processes, or other energy saving strategies to provide a net reduction in electricity demand and/or GHG emissions. Such measures may include, but is not limited to, the following:

   1. Participating in an annual energy audit.
   2. Upgrading and maintaining efficient heating/cooling/dehumidification systems.
   3. Implement energy efficient lighting, specifically light-emitting diode (LED) over high-intensity discharge (HID) or high-pressure sodium (HPS) lighting.
   4. Implementing automated lighting systems.
   5. Utilizing natural light when possible.
   6. Utilizing an efficient circulation system.
   7. Ensuring that energy use is below or in-line with industry benchmarks.
   8. Implementing phase-out plans for the replacement of inefficient equipment.
   9. Adopting all or some elements of CalGreen Tier 1 and 2 measures to increase energy efficiency in greenhouses.

iii. Construction of a qualified renewable energy source such as wind, solar photovoltaics, biomass, etc., as part of the project. [Note: Inclusion of a renewable energy source shall also be included in the project description and may be subject to environmental review.]

iv. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of the project energy demand that is 20% or more above a generic commercial building of the same size.
ENG-2. **Prior to issuance of building permits**, the applicant shall provide to the Department of Planning and Building for review and approval, a program for reducing or offsetting project-related greenhouse gas emissions below the 1,150 MTCO₂e Bright Line threshold. Such a program (or programs) may include, but is not limited to, the following:

a. Purchase of greenhouse gas offset credits from any of the following recognized and reputable voluntary carbon registries:
   i. American Carbon Registry;
   ii. Climate Action Reserve;
   iii. Verified Carbon Standard.

iv. Offsets purchased from any other source are subject to verification and approval by the Department of Planning and Building.

b. Installation of battery storage to offset nighttime energy use. Batteries may only be charged during daylight hours with a renewable energy source and shall be used as the sole energy supply during non-daylight hours.

c. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of project GHG emissions below the 1,150 Bright Line Threshold.

ENG-3. **At time of quarterly monitoring inspection**, the applicant shall provide to the Department of Planning and Building for review, a current energy use statement from the service provider (e.g. PG&E) that documents energy use to date for the year. The applicant shall demonstrate continued compliance with ENG-1 and ENG-2 (e.g. providing a current PG&E statement or contract showing continuous enrollment in the Solar Choice program or Regional Renewable Choice program).

**Sources**

See Exhibit A.
VII. GEOLOGY AND SOILS

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(ii) Strong seismic ground shaking?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(iii) Seismic-related ground failure, including liquefaction?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(iv) Landslides?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(b) Result in substantial soil erosion or the loss of topsoil?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>
Initial Study – Environmental Checklist

<table>
<thead>
<tr>
<th>(f)</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
</tbody>
</table>

Setting
The project site is located on gently rolling to steeply sloping topography at the foothills of the La Panza Range. The project site is not located within a Geologic Study Area and is not within a high liquefaction area. The Setting in Section 2, Agricultural Resources, describes the soil types and characteristics on the project site. The site's potential for liquefaction hazard is considered low to moderate. The project site is not located in an Alquist Priolo Fault Zone, and no active fault lines cross the project site (CGS 2018). Prior to the issuance of a building permit, the site may be subject to the preparation of a geological report per the County's Land Use Ordinance (LUO section 22.14.070 (c)) to evaluate the area's geological stability and to inform the design of building foundations.

The San Luis Obispo County Mineral Designation Maps indicate the site is not located in a Mining Disclosure Zone or Energy/Extractive Area. Therefore, the project would not result in the preclusion of mineral resource availability.

DRAINAGE – The project site is not located within a 100-year flood hazard area. Drainage, sedimentation and erosion control plans are required for all construction and grading projects (LUO Sec. 22.52.100 and 22.52.110) to minimize these impacts. When required, the plan is prepared by a civil engineer to address both temporary and long-term sedimentation and erosion impacts.

SEDIMENTATION AND EROSION – Soil type, amount of disturbance and slopes are key aspects to analyzing potential sedimentation and erosion issues. When highly erosive conditions exist, a sedimentation and erosion control plan is required (LUO Section 22.52.120) to minimize these impacts. When required, the plan is prepared by a civil engineer to address both temporary and long-term sedimentation and erosion impacts. Projects involving more than one acre of disturbance are subject to the preparation of a Storm Water Pollution Prevention Plan (SWPPP), which focuses on controlling storm water runoff. The Regional Water Quality Control Board is the local agency who manages compliance with this program.

Discussion
(a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:
   (a-i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.
   (a-ii) Strong seismic ground shaking?
   (a-iii) Seismic-related ground failure, including liquefaction?
   (a-iv) Landslides?
The Rinconada Fault passes about three miles to the west of the project site. This fault extends roughly north-south and is considered potentially active. All structures will be constructed in accordance with relevant provisions of the California Building Code and informed by a soils engineering analysis as determined by the Building Division. The project site does not present any dangers associated with seismic activity, ground failure or liquefaction that cannot be addressed through the application of appropriate building codes.

(b) Result in substantial soil erosion or the loss of topsoil?

The project will result in an area of disturbance of about 6.0 acres; site development will require about 6,795 cubic yards of cut and fill that will be distributed on site. In accordance with LUO Section 22.05.036, the project will be conditioned to provide an erosion and sedimentation control plan to be reviewed and approved prior to building permit issuance. Implementation of the erosion and sedimentation control plan required by the LUO will ensure potential impacts associated with erosion and the loss of topsoil will be less than significant.

(c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?

As discussed in the setting, the project site is not located in an area subject to unstable geologic conditions. In accordance with LUO Sections 22.52.100 and 22.52.110, the areas to be graded will be subject to an approved grading and drainage plan and erosion and sedimentation control plan. Compliance with relevant provisions of the California Building Code and county regulations will ensure potential impacts associated with site landslide, lateral spreading, subsidence, liquefaction or collapse will be less than significant.

(d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?

According to the NRCS Web Soil Survey, none of the soils present on the project site are considered expansive as defined by Table 18-1-B of the Uniform Building Code.

(e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?

A new septic leach field is proposed to serve the proposed cannabis activities. According to the NRCS Web Soil Survey, soils of the project site present significant limitations for the use of septic leach fields. This is considered a significant impact unless mitigated.

(f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?

The project site is not located in an area of the County known to support significant paleontological resources.

Conclusion

With the recommended mitigation measure that requires the applicant to demonstrate compliance with the standards enforced by the Regional Water Quality Control Board, the project is not expected to result in a significant impact relating to geology and soils.
Mitigation

**GEO-1 Prior to issuance of construction permits**, the applicant shall be required to submit sufficient soil percolation and soil boring information to show how the future septic systems will comply with the Central Coast Basin Plan for potential constraints identified for the project site. Final occupancy will not be approved by the Environmental Health Department if Basin Plan criteria cannot be met.

**Sources**

See Exhibit A.
VIII. GREENHOUSE GAS EMISSIONS

Would the project:

(a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?
☐ ☒ ☐ ☐

(b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?
☐ ☒ ☐ ☐

Setting

Greenhouse gases (GHG) are any gases that absorb infrared radiation in the atmosphere, and are different from the criteria pollutants discussed in Section III, Air Quality, above. The primary GHGs that are emitted into the atmosphere as a result of human activities are carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and fluorinated gases. These are most commonly emitted through the burning of fossil fuels (oil, natural gas, and coal), agricultural practices, decay of organic waste in landfills, and a variety of other chemical reactions and industrial processes (e.g., the manufacturing of cement).

Carbon dioxide is the most abundant GHG and is estimated to represent approximately 80-90% of the principal GHGs that are currently affecting the earth's climate. According to the ARB, transportation (vehicle exhaust) and electricity generation are the main sources of GHGs in the state.

In March 2012, the SLOAPCD approved thresholds for Greenhouse Gas (GHG) emission impacts, and these thresholds have been incorporated into the CEQA Air Quality Handbook. The Bright-Line Threshold of 1,150 Metric Tons CO₂/year (MT CO₂e/yr) is the most applicable GHG threshold for most projects. Table 1-1 in the SLOAPCD CEQA Air Quality Handbook provides a list of general land uses and the estimated sizes or capacity of those uses expected to exceed the GHG Bright Line Threshold of 1,150 Metric Tons of carbon dioxide per year (MT CO₂/yr). Projects that exceed the criteria or are within ten percent of exceeding the criteria presented in Table 1-1 are required to conduct a more detailed analysis of air quality impacts.

Under CEQA, an individual project’s GHG emissions will generally not result in direct significant impacts. This is because the climate change issue is global in nature. However, an individual project could be found to contribute to a potentially significant cumulative impact. Projects that have GHG emissions above the noted thresholds may be considered cumulatively considerable and require mitigation.

In October 2008, ARB published its Climate Change Proposed Scoping Plan, which is the State’s plan to achieve GHG reductions in California required by Assembly Bill (AB) 32. The Scoping Plan included ARB-recommended GHG reductions for each emissions sector of the state’s GHG inventory. The largest proposed GHG reduction recommendations were associated with improving emissions standards for light-duty vehicles, implementing the Low Carbon Fuel Standard program, implementation of energy efficiency measures in buildings and appliances, the widespread development of combined heat and power systems, and developing a renewable portfolio standard for electricity production.
Initial Study – Environmental Checklist

Senate Bill (SB) 32 and Executive Order (EO) S-3-05 extended the State’s GHG reduction goals and require ARB to regulate sources of GHGs to meet a state goal of reducing GHG emissions to 1990 levels by 2020, 40 percent below 1990 levels by 2030, and 80 percent below 1990 levels by 2050. The initial Scoping Plan was first approved by ARB on December 11, 2008 and is updated every five years. The first update of the Scoping Plan was approved by the ARB on May 22, 2014, which looked past 2020 to set mid-term goals (2030-2035) toward reaching the 2050 goals. The most recent update released by ARB is the 2017 Climate Change Scoping Plan, which was released in November 2017. The 2017 Climate Change Scoping Plan incorporates strategies for achieving the 2030 GHG-reduction target established in SB 32 and EO S-3-05.

The County Energy Wise Plan (EWP; 2011) identifies ways in which the community and County government can reduce greenhouse gas emissions from their various sources. Looking at the four key sectors of energy, waste, transportation, and land use, the EWP incorporates best practices to provide a blueprint for achieving greenhouse gas emissions reductions in the unincorporated towns and rural areas of San Luis Obispo County by 15% below the baseline year of 2006 by the year 2020. The EWP includes an Implementation Program that provides a strategy for actions with specific measures and steps to achieve the identified GHG reduction targets including, but not limited to, the following:

- Encourage new development to exceed minimum Cal Green requirements;
- Require a minimum of 75% of nonhazardous construction and demolition debris generated on site to be recycled or salvaged;
- Continue to implement strategic growth strategies that direct the county's future growth into existing communities and to provide complete services to meet local needs;
- Continue to increase the amount of affordable housing in the County, allowing lower-income families to live closer to jobs and activity centers, and providing residents with greater access to transit and alternative modes of transportation;
- Reduce potable water use by 20% in all newly constructed buildings by using the performance methods provided in the California Green Building Code;
- Require use of energy-efficient equipment in all new development;
- Minimize the use of dark materials on roofs by requiring roofs to achieve a minimum solar reflectivity index of 10 for high-slope roofs and 68 for low-slope roofs; and
- Use light-colored aggregate in new road construction and repaving projects adjacent to existing cities.

In 2016 the County published the EnergyWise Plan 2016 Update, which describes the progress made toward implementing measures in the 2011 EWP, overall trends in energy use and emissions since the baseline year of the inventory (2006), and the addition of implementation measures intended to provide a greater understanding of the County’s emissions status.

Pursuant to Section 8203 (g) of the Title 3, Division 8, Chapter 1 of the California Code of Regulations, beginning January 1, 2022, CDFA will require cultivation applicants to disclose the greenhouse gas emission intensity (per kWh) of their utility provider and show evidence that the electricity supplied is from a zero net energy source.
Discussion

(g) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?

(h) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?

(a-b) As discussed in Section VI, the project would result in inefficient or wasteful energy use which would contribute to higher greenhouse GHG emissions and by nature is in conflict with state and local plans for the reduction of GHG emissions, including the policies of the COSE, the EWP goals, and the 2001 SLOAPCD CAP. As shown in Table 8 (see Energy), the project would exceed the SLOAPCD bright-line threshold of 1,150 MT CO₂e/year.

The project also includes a new, 10,000 sq.ft., kilowatt (kw) photovoltaic (PV) solar array with onsite storage and feedback capabilities. A 10,000 sq.ft. PV array produces an average of 15 watts per square foot which in turn would generate about 150 kilowatts. Assuming the system operates for eight hours per day, the system would produce about 150 kw x 8 hrs = 1,200 kw hours per day, or about 324,000 kilowatt hours per year. The actual generating capacity will be determined when the system is designed. The use of the PV array will help reduce the greenhouse gas emissions associated with the project; the actual amount will be determined through the detailed analysis of energy use and resulting GHG emissions derived from mitigation measure ENG-1.

Mitigation is required to reduce or offset the project’s GHG emissions. With mitigation, potential impacts would be less than significant.

Conclusion

The project would result in potentially significant GHG emissions during long-term operations and would potentially conflict with plans adopted to reduce GHG emissions.

In addition, State law also sets forth general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Section 8305 relating to Renewable Energy Requirements:

Beginning January 1, 2023, all indoor, tier 2 mixed-light license types of all sizes, and nurseries using indoor or tier 2 mixed-light techniques, shall ensure that electrical power used for commercial cannabis activity meets the average electricity greenhouse gas emissions intensity required by their local utility provider pursuant to the California Renewables Portfolio Standard Program, division 1, part 1, chapter 2.3, article 16 (commencing with section 399.11) of the Public Utilities Code.

Compliance with the provisions of Code of Regulations together with recommended mitigation measures ENG-1, ENG-2, and ENG-3 will reduce potential impacts to less than significant.

Mitigation

Implement ENG-1 through ENG-3.

Sources

See Exhibit A.
## IX. HAZARDS AND HAZARDOUS MATERIALS

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>
Setting
To comply with Government Code Section 65962.5 (known as the “Cortese List) the following databases/lists were checked in September 2019 for potential hazardous waste or substances occurring at the project site:

- List of Hazardous Waste and Substances sites from Department of Toxic Substances Control (DTSC) EnviroStor database
- List of Leaking Underground Storage Tank Sites by County and Fiscal Year from Water Board GeoTracker database
- List of solid waste disposal sites identified by Water Board with waste constituents above hazardous waste levels outside the waste management unit
- List of “active” Cease and Desist Orders (CDO) and Cleanup and Abatement Orders (CAO) from Water Board
- List of hazardous waste facilities subject to corrective action pursuant to Section 25187.5 of the Health and Safety Code, identified by DTSC

The database review concluded that the project site is not located in an area of known hazardous material contamination.

According to CalFire’s San Luis Obispo County Fire Hazard Severity Zone map, the project site is in a State Responsibility Area for fire service, and a ‘very high’ fire severity risk area. The closest fire station to the project site is CalFire Station 40, located on Parkhill Road approximately 12 miles northwest of the project site. According to the General Plan Safety Element Emergency Response Map, the average emergency response time to the project site is 15 – 20 minutes (San Luis Obispo County 1999).

The project is not within an Airport Review Area. The closest public airport to the site is the San Luis Obispo County Regional Airport which is located approximately 35 miles to the southwest. The schools nearest the project site are located within the community of Santa Margarita, approximately 19 miles to the northwest.

Discussion

(a)  Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?

Construction activities may involve the use of oils, fuels, and solvents. In the event of a leak or spill, persons, soil, and vegetation down-slope from the site may be affected. The use, storage, and transport of hazardous materials is regulated by DTSC (22 Cal. Code of Regulations Section 66001, et seq.). The use of hazardous materials on the project site for construction and maintenance is required to be in compliance with local, state, and federal regulations. In addition, compliance with best management practices (BMPs) for the use and storage of hazardous materials would also address impacts. These BMPs may include, but are not limited to, the following:

- Determining whether a product constitutes a hazardous material in accordance with federal and state regulations;
- Properly characterizing the physical properties, reactivity, fire and explosion hazards of the various materials;
- Using storage containers that are appropriate for the quantity and characteristics of the materials;
• Properly labeling of containers and maintaining a complete and up to date inventory;
• Ongoing inspection and maintenance of containers in good condition; and
• Proper storage of incompatible, ignitable and/or reactive wastes.

Project operations would involve the intermittent use of small amounts of hazardous materials such as fertilizer and pesticides that are not expected to be acutely hazardous. In accordance with LUO Section 22.40.050.C.3., all applications for cannabis cultivation must include a list of all pesticides, fertilizers and any other hazardous materials expected to be used, along with a storage and hazardous response plan. The application materials include a comprehensive list of these materials which includes the following:

• AzaMax Botanical Insecticide, Miticide, and Nematicide (General Hydroponics)
• Bonide Neem Oil Fungicide-Miticide-Insecticide Concentrate (Bonide Products, Inc.)
• Clonex Rooting Hormone Gel – Purple (Growth Technology Ltd.)
• Ferti-Lome Fish Emulsion Plant Food (Voluntary Purchasing Group, Inc.)
• Grandevo Insecticide/ Bio-protectant (Marrone Bio Innovations)
• Grow More 20-20-20 – Soluble Fertilizer (Grow More, Inc.)
• Isopropyl Alcohol 91% (Hydrox Laboratories)
• Lilly Miller Vitamin B1 Plant Starter – Liquid Fertilizer (Lilly Miller Brands)
• Regalia Fungicide (Marrone Bio Innovations)
• Softsoap Antibacterial Liquid Hand Soap (Colgate-Palmolive Company)

The application materials, and the Material Safety Data Sheets (MSDS) are incorporated by reference and available for review at the Department of Planning and Building, 976 Osos Street, Room 200, San Luis Obispo.

In addition, all approved cannabis cultivation operations employing the use of pesticides must obtain the appropriate pesticide use permitting from the Department of Agriculture / Weights and Measures. Accordingly, pesticide and fertilizer usage will be conducted according to the County of San Luis Obispo Department of Agriculture by obtaining an Operator Identification Number and complying with all application, reporting, and use requirements. Fertilizers and pesticides will be stored in separate, locked seatrain storage containers within the securely fenced area. Products used onsite will be stored in small containers within spill containment bins. In addition, State law also sets forth general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Section 8307 requires all State licensees to comply with all pesticide laws and regulations enforced by the California Department of Pesticide Regulation.

As discussed in the Setting above, the project site is not found on the ‘Cortese List’ (which is a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5). The project is not expected to conflict with any regional emergency response or evacuation plan.
Initial Study – Environmental Checklist

(b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?

Implementation of the required hazardous materials storage and response plan will ensure potential impacts associated with upset and accidents will be less than significant.

(c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

Based on the project description, the project is not located within one-quarter mile of a school.

(d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?

As discussed above, the project is not located on a site included on the list compiled pursuant to Government Code Section 65962.5.

(e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?

The project is not located within an area governed by an Airport Land Use Plan or within two miles of a public airport.

(f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?

Based on the project description and location, the project is not expected to interfere with an adopted emergency response plan or emergency evacuation plan.

(g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?

The project is located within a State Responsibility Area and within a “very high” severity risk area which could present a significant fire safety risk. The applicant will be required to comply with the relevant provisions of the California Fire and Building Codes.

Conclusion

The project will not result in significant impacts associated with hazards or hazardous materials.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.
## X. HYDROLOGY AND WATER QUALITY

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(i) Result in substantial erosion or siltation on- or off-site;</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(ii) Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(iii) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(iv) Impede or redirect flood flows?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>
Setting

Grading, drainage and sedimentation and erosion control plans are required for all construction and grading projects (LUO Sec. 22.52.100, 110 and 120). When required, these plans are prepared by a civil engineer to address both temporary and long-term drainage, sedimentation and erosion impacts.

DRAINAGE – The project site is located on gently rolling to steeply sloping topography at the foothills of the La Panza Range. The project site is not located within a 100-year flood hazard area. Drainage, sedimentation and erosion control plans are required for all construction and grading projects (LUO Sec. 22.52.100 and 22.52.110) to minimize these impacts.

SEDIMENTATION AND EROSION – Soil type, amount of disturbance and slopes are key aspects to analyzing potential sedimentation and erosion issues. When highly erosive conditions exist, a sedimentation and erosion control plan is required (LUO Sec. 22.52.110) to minimize these impacts. When required, the plan is prepared by a civil engineer to address both temporary and long-term sedimentation and erosion impacts. Projects involving more than one acre of disturbance are subject to the preparation of a Storm Water Pollution Prevention Plan (SWPPP), which focuses on controlling storm water runoff. The Regional Water Quality Control Board is the local extension who monitors this program.

WATER DEMAND – The project site is served by one existing well that has historically served the property for the residential and cannabis cultivation and registered cannabis cultivation. The project includes two new water storage tanks of 70,000 gallons and 18,000 gallons, a composting area, waste/recycling area, a new water well, and parking for 34 vehicles including one ADA accessible space.

County Land Use Ordinance (LUO) Section 22.40.050 C.1. requires all applications for cannabis cultivation to include a detailed water management plan that discusses the proposed water supply, conservation measures and any water offset requirements. In addition, Section 22.40.050 D. 5. requires that a cultivation project located within a groundwater basin with a Level of Severity III (LOS III) provide an estimate of water demand prepared by a licensed professional or other expert, and a description of how the new water demand will be offset. For such projects, the water use offset ratio is 1:1. If the project is within an Area of Severe Decline the offset requirement is 2:1, unless a greater offset is required by the review authority through the permit review process.

The project site is located in the Pozo Groundwater Basin which is not assigned a Level of Severity. The project is not located within an Area of Severe Decline. Therefore, no water use offset is required.

Discussion

(a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?

The project will result in 6.28 acres of disturbance and will require grading as well as 6,795 cubic yards of cut and fill. The project will be conditioned to provide final grading, erosion and sedimentation control plans for review and approval prior to building permit issuance as required by LUO Sections 22.52.100, 1106 and 120. According to the Public Works Department (David Grim, letter of July 25, 2019) the project is located within a drainage review area and a drainage plan will be required at the time of building permit review. The project will disturb more than 1.0 acres and will therefore be required to enroll in coverage under California's Construction General permit.
(b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?

A 4-hour pump test completed on the existing well in October of 2018 (Ken Bundy Mobil Pump Service) determined a measured flow rate of 18 gallons per minute. If the well is pumped 8 hours per day for 260 days it would produce 6.9 AFY. The project application materials provide the following estimate of existing and projected water demand prepared by the applicant:

Table 9 – Projected Water Demand

<table>
<thead>
<tr>
<th>Use</th>
<th>Water Demand Factor</th>
<th>Area/Quantity</th>
<th>Days/Year</th>
<th>Gallons Per Year</th>
<th>Ace-Feet per Year</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Existing/Historic Demand</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cattle Ranch</td>
<td>4,500 gallons per year per head of livestock</td>
<td>20 head</td>
<td>300</td>
<td>90,000</td>
<td>0.28</td>
</tr>
<tr>
<td>Poultry Farming</td>
<td>25 gallons per year per bird</td>
<td>500 birds</td>
<td>300</td>
<td>12,521</td>
<td>0.04</td>
</tr>
<tr>
<td>Outdoor Cannabis Cultivation</td>
<td>0.03 gal/sq.ft./day</td>
<td>30,000 sq.ft.</td>
<td>150</td>
<td>135,000</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Total Existing Demand</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.73</td>
</tr>
<tr>
<td>Outdoor Cultivation</td>
<td>0.03 gal/sq.ft./day</td>
<td>130,000 sq.ft.</td>
<td>150</td>
<td>585,000</td>
<td>1.79</td>
</tr>
<tr>
<td>Indoor Cultivation</td>
<td>0.1 gal/sq.ft./day</td>
<td>22,000 sq.ft.</td>
<td>365</td>
<td>803,000</td>
<td>2.47</td>
</tr>
<tr>
<td>Outdoor Nursery</td>
<td>0.03 gal/sq.ft./day</td>
<td>47,580 sq.ft.</td>
<td>365</td>
<td>521,001</td>
<td>1.6</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0.001 gal/sq.ft./day</td>
<td>6,000 sq.ft.</td>
<td>360</td>
<td>2,169</td>
<td>0.007</td>
</tr>
<tr>
<td>Domestic Water Use</td>
<td>10 gal/day/capita</td>
<td>6 employees</td>
<td>365</td>
<td>21,900</td>
<td>0.06</td>
</tr>
<tr>
<td><strong>Total Future Demand</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,933,061</td>
</tr>
<tr>
<td><strong>Net Change In Water Demand:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5.21</td>
</tr>
</tbody>
</table>

Notes:

1. Water demand of agricultural activities associated with the areas proposed for cannabis activities.

As shown in Table 9, water demand associated with the project site will be 5.94 AFY. Water use is required to be metered and these data will be provided to the County every three months (quarterly). Should the metered water demand exceed the permitted quantity (5.94 AFY), the permittee will be required to undertake corrective measures to bring water demand back to within the permitted amount. In addition, the project will be conditioned to apply Best Management Practices for water conservation to maintain water use at or below the water analysis projections as described in the applicant's Water Management Plan. Such BMPs include, but are not limited to, the following:

- The use of drip irrigation systems and mulch to conserve water and soil moisture;
- Ongoing monitoring and maintenance of the water supply system;
- Installation of float valves on tanks to prevent tanks from overflowing; and
- Installation of rainwater catchment systems to reduce demand on groundwater.
Initial Study – Environmental Checklist

The conditions of approval will also require the project to participate in the County’s ongoing cannabis monitoring program to ensure compliance with all conditions of approval and other relevant regulations.

(c) **Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:**
   
   (c-i) Result in substantial erosion or siltation on- or off-site?
   (c-ii) Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?
   (c-iii) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?
   (c-iv) Impede or redirect flood flows?

The project will be conditioned to provide final grading, erosion and sedimentation control plans for review and approval prior to building permit issuance as required by LUC Sections 22.52.100, 110 and 120.

The project site is not located within a 100-year flood plain and the amount of increased impervious surfaces is not expected to exceed the capacity of stormwater conveyances or increase downslope flooding.

(d) **In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?**

As discussed in the project description, the project site is not located within a 100-year flood hazard area. The project site is located approximately 30 miles inland from the Pacific Ocean and is not within an area of potential tsunami hazard.

(e) **Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?**

The project will be conditioned to comply with relevant provisions of the CCRWQCB Basin Plan.

**Conclusion**

The project will result in less than significant impacts associated with water supply, water quality and hydrology.

No mitigation measures are required.

**Sources**

See Exhibit A.
XI. LAND USE AND PLANNING

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Physically divide an established community?</td>
<td>☐</td>
<td>☐</td>
<td>☟</td>
<td>☒</td>
</tr>
<tr>
<td>(b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

Setting

Surrounding uses are identified on Page 2 of the Initial Study. The proposed project was reviewed for consistency with policy and/or regulatory documents relating to the environment and appropriate land use (e.g., Inland Land Use Ordinance, North County Plan, Las Pilitas Sub Area, SLOAPCD CEQA Handbook, etc.). Referrals were sent to outside agencies to review for policy consistencies (e.g., County Fire/CAL FIRE for Fire Code, SLOAPCD for Clean Air Plan, etc.).

The proposed project is subject to Planning Area Standard(s) as found in Chapter 3 and 4, of the North County Area Plan (Public Facilities, Services & Resources and Land Use Standards). The areawide standards set forth requirements for resource protection (i.e., geologic, soils and agriculture, biological, visual, and air quality), land division and development design, circulation, water quality, and recreation. In addition, the project is subject to the Land Use Ordinance, Title 22, including general property development and operating standards (22.10), parking standards (22.18), and standards for specific land uses (22.30), fire safety standards (22.50.040), grading (22.52), and the North County Planning Area standards (22.94), and Las Pilitas Sub-Area Standards (22.94.050). Also the Cannabis Ordinance (22.40).

Discussion

(a) Physically divide an established community?

Based on the project description, it will not divide an established community.

(b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?

Cannabis activities, such as those contemplated by this project, are allowed in the Agriculture land use category subject to the relevant provisions of LUO Section 22.40. The project, as it may be conditioned, is consistent with the LUO and with the applicable Planning Area Standards of the North County Plan, Las Pilitas Sub-Area.

Conclusion

The project, as it may be conditioned, is consistent with relevant adopted plans and policies.
Initial Study – Environmental Checklist

Mitigation
No mitigation measures are required.

Sources
See Exhibit A.
XII. MINERAL RESOURCES

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Result in the loss of availability of a known mineral resource that would be</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>of value to the region and the residents of the state?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(b) Result in the loss of availability of a locally-important mineral resource</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>recovery site delineated on a local general plan, specific plan or other land</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>use plan?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Setting

Mineral products historically produced in the county have included petroleum, natural gas, mercury, gypsum, sand and gravel, construction stone, and clay.

Discussion

(a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?

(b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?

The project site does not include any of the formally recognized areas potentially available for resource extraction, as shown on the North County Planning Area Las Pilitas Sub Area Combining Designation Map.

Conclusion

The project will have no effect on the availability of mineral resources.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.
XIII. NOISE

Would the project result in:

(a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

☐ ☒ ☐ ☐

(b) Generation of excessive groundborne vibration or groundborne noise levels?

☐ ☐ ☐ ☒

(c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

☐ ☒ ☐ ☐

Setting

The existing ambient noise environment is characterized by intermittent vehicle noise from Parkhill Road and various agricultural activities surrounding the project site. Noise-sensitive land uses typically include residences, schools, nursing homes, and parks. The nearest existing noise-sensitive land use is a residence located approximately 10 feet from the project’s eastern property line and approximately 310 feet from the closest outdoor cultivation area. The nearest noise sensitive use near the project’s indoor cultivation/nursery area, is a residence located roughly 450 feet from the site’s western property line. There are no parks, schools, or daycare facilities in close proximity to the project site.

The project is subject to the County’s standards for exterior noise provided in LUC Section 22.10.120 B (Table 10). Section 22.10.120 sets forth standards that apply to sensitive land uses that include (but are not limited to) residences.

Table 10 -- Maximum Allowed Exterior Noise Level Standards

<table>
<thead>
<tr>
<th>Sound Levels</th>
<th>Daytime 7 a.m. to 10 p.m.</th>
<th>Nighttime 10 p.m. to 7 a.m.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hourly Equivalent Sound Level (Leq, dB)</td>
<td>50</td>
<td>45</td>
</tr>
<tr>
<td>Maximum Level, dB</td>
<td>70</td>
<td>65</td>
</tr>
</tbody>
</table>

1. Applies only to uses that operate or are occupied during nighttime hours.
Initial Study – Environmental Checklist

Discussion

(a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?

Temporary (Construction Related) Noise. Project construction activities would generate short-term construction noise. Noise generated during the construction period would be temporary in nature and limited to the daytime hours of 7:00 a.m. to 9:00 p.m. Monday through Friday, and 8:00 a.m. to 5:00 p.m. on Saturday or Sunday, in accordance with County construction noise exception standards (LUO 22.10.120 A 4). Due to its limited duration and compliance with construction time limits set out in the LUO, project construction would not conflict with surrounding uses or nearby noise-sensitive receptors.

Permanent Operational Noise. The project would generate approximately 14 average daily trips which will generate noise along the roadways serving the project site, which is consistent with surrounding rural residential and agricultural land uses in the area.

Noise associated with the use of wall- or roof-mounted HVAC and odor mitigation equipment would be expected to generate noise levels of approximately 65 dB at 25 feet from the source. Noise attenuates (diminishes) at a rate of 6 dB per doubling of distance. Therefore, project related noise sources producing 65 dB at 25 feet will be perceived to produce about 58 dB at the property line, assuming a distance of 50 feet. The resulting noise is anticipated to be below the maximum allowable nighttime level (65 dB) but will exceed the hourly average standard of 45dB. This is considered a significant impact unless mitigated.

After completion of the construction period, the project would not generate loud noises or conflict with surrounding uses; therefore, impacts related to temporary increases in ambient noise and exposure of people to severe noise or vibration would be less than significant.

(b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?

The project does not propose pile driving or other high impact activities that would generate substantial groundborne noise or groundborne vibration during construction.

(c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?

The project is not located within a designated Airport Review Area and there are no active private landing strips within the vicinity. Therefore, impacts associated with proximity to an airport or airstrip would be less than significant.

Conclusion

Short-term construction-related noise would be limited in nature and duration and would only occur during appropriate daytime hours. Therefore, potential noise impacts would be less than significant and no mitigation is required. However, operational noise associated with ongoing operation of the HVAC and odor management systems will likely exceed the nighttime hourly average standard. With mitigation measure N-1 that requires shielding of the noise source, potential noise impacts will be less than significant.
Mitigation Measures

N-1 Prior to commencing permitted activities, the applicant shall demonstrate that noise generated by project air conditioning, ventilation and odor management equipment complies with applicable County standards for nighttime noise levels at the property lines. This shall be accomplished by:

a. Locating the equipment so that the building shields the noise from the nearest property line;

b. Constructing an acoustical enclosure around the equipment;

c. Any combination of equipment location and shielding that enables the project to meet the standards.

Sources

See Exhibit A.
XIV. POPULATION AND HOUSING

<table>
<thead>
<tr>
<th>Would the project:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Would the project:</td>
</tr>
<tr>
<td>(a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?</td>
</tr>
<tr>
<td>(b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
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<tbody>
<tr>
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</tbody>
</table>

Setting

In its efforts to provide for affordable housing, the County currently administers the Home Investment Partnerships (HOME) Program and the Community Development Block Grant (CDBG) program, which provides limited financing to projects relating to affordable housing throughout the county. The County’s Inclusionary Housing Ordinance requires provision of new affordable housing in conjunction with both residential and nonresidential development and subdivisions.

Discussion

(a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?

(b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?

The project proposes cannabis activities within a rural area and would employ up to 6 full-time employees and up to 7 seasonal employees. The small number of full-time workers and the seasonal nature of proposed cannabis activities are not expected to generate the need for new or additional housing. The general scope and scale of the proposed activities would not directly or indirectly induce substantial population growth in the area and would not result in a need for a significant amount of new housing nor displace any housing in the area. In addition, the project would be subject to inclusionary housing fees to offset any potential increased need for housing in the area. Therefore, impacts to housing and population would be less than significant.

Conclusion

No significant population and housing impacts would occur as a result of the proposed project.

Mitigation

None are required.
Initial Study – Environmental Checklist

**Sources**

See Exhibit A.

**XV. PUBLIC SERVICES**

<table>
<thead>
<tr>
<th></th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fire protection?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>Police protection?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>Schools?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>Parks?</td>
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<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>Other public facilities?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

**Setting**

**Fire Protection.** Fire protection and emergency medical services are provided by County Fire. CAL FIRE Station 40, located 6140 Parkhill Road, Santa Margarita, serves rural areas east of the Santa Margarita Urban Reserve Line, providing fire prevention and emergency medical services. Cal Fire response times in this area are 15 to 20 minutes.

**Law Enforcement.** This area of the County relies on the County Sheriff and the California Highway Patrol for police protection services. The primary station serving this area of the County is the Sheriff Station located at 1585 Kansas Avenue in San Luis Obispo, roughly 54 miles to the southwest about midway between Morro Bay and San Luis Obispo near Highway 1. The nearest Highway Patrol office is located near the California Boulevard-Highway 101 interchange in San Luis Obispo. Response times for the Sheriff’s office vary, based on allocated personnel, existing resources, time and day of week and prioritized calls for law enforcement services.
Other services, including investigative and emergency dispatch services, are provided at the County Operations Center on Kansas Avenue.

Schools. This area of the County is served by the Atascadero Unified School District. Santa Margarita residents attend Santa Margarita Elementary, Atascadero Middle School, and Atascadero High School. Santa Margarita Elementary is located within Santa Margarita, the middle and high schools are located within the City of Atascadero.

A public facility fee program (i.e., development impact fee program) has been adopted to address impacts related to public facilities (county) and schools (State Government Code 65995 et seq.). Fees are assessed annually by the County based on the type of proposed development and proportional impact and collected at the time of building permit issuance. Fees are used as needed to finance the construction of and/or improvements to facilities required to the serve new development.

Discussion

(a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:

   Fire protection?
   The project would be required to comply with all fire safety rules and regulations including the California Fire Code and Public Resources Code prior to issuance of building permits. The project incorporates water production and storage facilities as well as access improvements to accommodate fire protection equipment and vehicles. Accordingly, the project is not expected to result in a need for new or altered fire protection services. In addition, the project would be subject to development impact fees to offset the project's contribution to demand for fire protection services. Therefore, impacts would be less than significant. Additional information regarding fire hazard impacts is discussed in Section 7, Hazards and Hazardous Materials.

   Police protection?
   The applicant has prepared a Security Plan subject to the review and approval of the County Sheriff's Department. The project would be required to adhere to the security measures and protocols in the Security Plan as well as with any additional recommendation or requirements provided by the County Sheriff's Office. In addition, the project would be subject to development impact fees to offset the project's contribution to demand on law enforcement services. Therefore, impacts related to police services would be less than significant.

   Schools?

   Parks?

   Other public facilities?
   Based on the project description, the project is not expected to generate additional population to the area that would require the construction of additional schools, parks or other public facilities.
**Conclusion**

Regarding cumulative effects, public facility (County) and school (State Government Code 65995 et seq.) fee programs have been adopted to address this impact, and will reduce the cumulative impacts to less-than-significant levels. No significant public services/utility impacts would occur as a result of the proposed project; therefore, no mitigation measures are necessary.

**Mitigation**

No additional mitigation measures are required.

**Sources**

See Exhibit A.
### XVI. RECREATION

<table>
<thead>
<tr>
<th></th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

**Setting**

The project would be located on a privately-owned parcel that would support cannabis activities and would not be open to the general public. The County's Parks and Recreation Element does not indicate a proposed trail through or adjacent to the proposed project site.

**Discussion**

(a) *Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?*

(b) *Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?*

The project proposes cannabis activities within a rural area and would employ up to 13 people, (6 full-time and 7 seasonal employees). The small number of full time workers and the seasonal nature of proposed cannabis activities are not expected to increase the demand on existing or planned recreational facilities in the County. The project is not proposed in a location that would affect any existing trail, park, recreational facility, and/or natural area.

**Conclusion**

The project would not induce population growth or create a significant need for additional park or recreational facilities; therefore, *no impacts would occur.*

**Mitigation**

No mitigation measures are required.

**Sources**

See Exhibit A.
XVII. TRANSPORTATION

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(d) Result in inadequate emergency access?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

Setting
The County has established the acceptable Level of Service (LOS) “C” or better for rural roads. Vehicular access to the project site is provided by a driveway onto Parkhill Road. Parkhill Road is is a rural collector currently operating at an acceptable level of service in the project vicinity. The project site currently has one residence and generates a very low volume of traffic. Traffic counts taken by the County in 2018 on Parkhill Road north of Pozo Road showed an average daily traffic volume of 85 and a PM peak hour volume of 24.

Discussion
(a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?

Construction Impacts. Construction related traffic will increase during the morning and afternoon peak hours on Parkhill Road. Based on project information, it is expected that as many as 3 workers may be arriving and leaving the project site on a typical construction workday. Assuming 3 PM peak hour trips on Parkhill Road, traffic will increase by less than 1% per day for a construction timeframe of one to two months. The temporary increase in traffic on Parkhill Road will not reduce the level of service which will remain within the standard set by the General Plan Circulation Element.

Operational Impacts. A referral was sent to Public Works to assess the proposed project’s impacts to the roads and compliance with County driveway standards. The Per Public Works department is recommending that the driveway on Parkhill Road be re-constructed to County standards.

The project is expected to generate 13.5 average daily trips (ADT) with 1 afternoon peak hour trip (PHT). (based on old project – get PW's new estimate. The additional PM peak hour trip on Parkhill Road will increase the traffic volume by less than 1% per day. The increase in traffic on will not
reduce the level of service which will remain within the standard set by the General Plan Circulation Element.

The project does not conflict with adopted policies, plans and programs on transportation.

(b) *Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b)?*

The project will not be inconsistent with CEQA Guidelines Section 15064.3 which sets forth criteria for analyzing transportation impacts by applying a threshold of significance based on vehicle miles traveled.

(c) *Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?*

The project poses no significant traffic safety concerns. Based on existing road speeds and configuration (vertical and horizontal road curves), sight distance is considered acceptable.

(d) *Result in inadequate emergency access?*

Based on the project description and project location, adequate emergency access can be provided to the project site and surrounding properties.

*Conclusion*

No project specific significant traffic impacts were identified.

*Mitigation*

No mitigation measures are required.

*Sources*

See Exhibit A.
### XVIII. TRIBAL CULTURAL RESOURCES

<table>
<thead>
<tr>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>(ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
</tbody>
</table>

**Setting/Discussion**

In July, 2015, the legislature added the new requirements to the CEQA process regarding tribal cultural resources in Assembly Bill 52 (Gatto, 2014). By including tribal cultural resources early in the CEQA process, the legislature intended to ensure that local and Tribal governments, public agencies, and project proponents would have information available, early in the project planning process, to identify and address potential adverse impacts to tribal cultural resources. By taking this proactive approach, the legislature also intended to reduce the potential for delay and conflicts in the environmental review process.
Initial Study – Environmental Checklist

(a) Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:

(a-i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k)?

(a-ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.

There are no resources on the project site listed, or eligible for listing, in the California Register of Historic Resources, or in a local register of historical resources. Based on the Phase I archaeological investigation performed for the project site, there are no significant resources on the project site within the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1.

Lastly, in accordance with AB 52 cultural resources requirements, outreach to numerous Native American tribes has been conducted: Santa Ynes Band of Chumash Indians, Barbareno/Ventureno Band of Mission Indians, Monterey Salinan, Xolon Salinan, yak titu yak titu yak tihini Northern Chumash, Coastal Chumash, and Northern Chumash Tribal Council. A response was received from the Salinan Tribal Administrator requesting a copy of the archaeological report. No further consultation was requested. No significant resources within the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1 relating to the significance of the resource to a California Native American tribe were identified.

Conclusion

The project will have a less than significant impact on tribal cultural resources. No archaeological monitoring is recommended during grading activities unless previously undiscovered cultural materials are unearthed during project grading or construction. Per County of San Luis Obispo Land Use Ordinance Section 20.10.040, if during any future grading and excavation, buried or isolated cultural materials are unearthed, work in the area should be halted immediately within 10 feet of the find until the find can be examined by a qualified archaeologist and appropriate recommendations made. No significant impacts to cultural resources are expected to occur and no additional mitigation measures are necessary.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.
## XIX. UTILITIES AND SERVICE SYSTEMS

<table>
<thead>
<tr>
<th>Would the project:</th>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?</td>
<td>☐</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
</tr>
<tr>
<td>(d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?</td>
<td>☐</td>
<td>☐</td>
<td>☒</td>
<td>☐</td>
</tr>
</tbody>
</table>

**Setting**

The setting for water supply is discussed in Section X. Hydrology. The project site is served by an on-site septic leach field. The plans show an area for potential septic leach field to the north of the greenhouse buildings; however, the expansion of the leach field is not proposed as part of this application and may be added sometime in the future. The proposed cannabis activities will be served by restrooms that are self-contained chemical portable toilets that will be serviced by a qualified and licensed maintenance company.
Discussion

(a) *Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?*

The project includes a 7,900 sq.ft. area for a new/expanded septic leach field area. The project will be conditioned to comply with relevant provisions of the Department of Environmental Health and the RWQCB. The project also includes two new water storage tanks of 18,000 gallons and 70,000 gallons located north of the proposed greenhouses.

(b) *Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?*

Water for the project site will be provided by an existing on-site well (see Section X. Hydrology). A 4-hour pump test completed in October of 2018 (Ken Bundy Mobil Pump Service) determined a measured flow rate of 18 gallons per minute. If the well is pumped 8 hours per day for 260 days it would produce 6.9 AFY which is sufficient water to serve the intended cannabis uses. A new well is proposed in the northeast corner of the project site to supplement the existing well if necessary.

(c) *Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project’s projected demand in addition to the provider’s existing commitments?*

Not applicable. The project site is served by an on-site septic leach field. The plans show an area for potential septic leach field to the north of the greenhouse buildings; however, the expansion of the leach field is not proposed as part of this application and may be added sometime in the future. The proposed cannabis activities will be served by restrooms that are self-contained chemical portable toilets that will be serviced by a qualified and licensed maintenance company.

(d) *Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?*

(e) *General waste and debris in the form of paper, cardboard, wood, and plastics will be collected and sorted accordingly into covered waste and recycling containers (located east of the entrance gate). A licensed garbage disposal service will remove the waste and refuse from the site and dispose of it at the local licensed landfill.*

Solid waste from the Santa Margarita area is transported to Cold Canyon Landfill at 2268 Carpenter Canyon Road, between the cities of San Luis Obispo and Arroyo Grande. At Cold Canyon Landfill, waste is processed at the Resource Recovery Park (RRP) and Materials Recovery Facility (MRF). The landfill does not compost, but green waste and wood waste are processed (chipped/ground) for either use as cover for the working face of the landfill, or being hauled to another out-of-county facility. Commercial operations that use roll-off services and/or construction and demolition waste removal services may choose any permitted hauler.

Currently, the maximum permitted throughput to the landfill is limited to 1,650 tons per day (CalRecycle 2016). However, the Cold Canyon Landfill recently received approvals from the County and the state in 2013 to allow continued waste expansion and disposal operations through 2040. With planned expansions through 2040, the maximum total throughput would increase to 2,050 tons (City
of San Luis Obispo 2014). The landfill has a design capacity of 23,900,000 cubic yards (cy) and a remaining capacity of 14,500,000 cy, or 60.7 percent which is more than enough to serve the project.

(f) **Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?**

The project will be operated consistent with applicable federal, state and local solid waste management and reduction regulations.

**Conclusion**

No significant impacts to utilities and service systems are expected.

**Mitigation**

No mitigation measures are required.

**Sources**

See Exhibit A.
XX. WILDFIRE

<table>
<thead>
<tr>
<th>Potentially Significant Impact</th>
<th>Less Than Significant with Mitigation Incorporated</th>
<th>Less Than Significant Impact</th>
<th>No Impact</th>
</tr>
</thead>
</table>

If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:

(a) Substantially impair an adopted emergency response plan or emergency evacuation plan?

(b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?

(c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?

(d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?

Setting

The project site is located in an area with a “Very High” fire hazard severity zone as determined by CALFIRE. It is anticipated it will take 15 - 20 minutes to respond to a call from the Parkhill Fire Station located on Parkhill Road. The surrounding properties are engaged in agricultural activities that primarily involve livestock grazing that poses a relatively low risk for wildfire.

Discussion

(a) Substantially impair an adopted emergency response plan or emergency evacuation plan?

Based on the project description and location, the project is not expected to impair an adopted emergency response plan or evacuation plan.

(b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?

The prevailing winds on the project site are from the west and north during the daytime hours and slightly eastward at night. A wildfire originating to the west could expose project occupants to...
pollutant concentrations associated with smoke. However, given the nature of the surrounding land uses, the project is not expected to exacerbate wildfire risks.

(c) *Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?*

The project is not expected to require any fire protection infrastructure other than those associated with the California Building Code and the Uniform Fire Code.

(d) *Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?*

Based on the project description, the project is not expected to expose people or structures to significant risks associated with post-fire conditions.

*Conclusion*

The project is expected to have a less than significant impact relating to wildfire risk.

*Mitigation*

No mitigation measures are required.

*Sources*

See Exhibit A.
XXI. MANDATORY FINDINGS OF SIGNIFICANCE

<table>
<thead>
<tr>
<th>Potentiality</th>
<th>Significance</th>
<th>Mitigation</th>
<th>Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a)</td>
<td>Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(b)</td>
<td>Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?</td>
<td>☒</td>
<td>☐</td>
</tr>
<tr>
<td>(c)</td>
<td>Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?</td>
<td>☐</td>
<td>☐</td>
</tr>
</tbody>
</table>

Setting

Discussion

(a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?

Potential impacts to aesthetic and visual resources; air quality; biological resources; energy; and noise have been identified but would mitigated to a level below significant. Compliance with the mitigation measures identified in Exhibit B will ensure that project implementation will not substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to
drop below self-sustaining levels, threaten to eliminate a plant or animal community, or reduce the number or restrict the range of a rare or endangered plant or animal. Implementation of the project will not eliminate important examples of the major periods of California history or pre-history. Therefore, the anticipated project-related impacts are less than significant with incorporation of the mitigation measures included in Exhibit B.

(b) Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?

The State CEQA Guidelines define cumulative impacts as "two or more individual effects that, when considered together, are considerable or which compound or increase other environmental impacts." Section 15355 of the CEQA Guidelines further states that individual effects can be various changes related to a single project or the change involved in a number of other closely related past, present, and reasonably foreseeable future projects. The discussion of cumulative impacts must reflect the severity of the impacts as well as the likelihood of their occurrence. However, the discussion need not be as detailed as the discussion of environmental impacts attributable to the project alone. Furthermore, the discussion should remain practical and reasonable in considering other projects and related cumulatively considerable impacts. Furthermore, per State CEQA Guidelines, Section 15130 (a) (1), an EIR should not discuss impacts which do not result in part from the project evaluated in the EIR.

The State CEQA Guidelines allow for the use of two different methods to determine the scope of projects for the cumulative impact analysis:

- List Method - A list of past, present, and probable future projects producing related or cumulative impacts, including, if necessary, those projects outside the control of the agency (Section 15130).

- General Plan Projection Method - A summary of projections contained in an adopted General Plan or related planning document, or in a prior environmental document which has been adopted or certified, which described or evaluated regional or area-wide conditions contributing to the cumulative impact (CEQA Guidelines §15130).

This MND examines cumulative effects using both the List Method and the General Plan Projection method to evaluate the cumulative environmental effects of the project within the context of other reasonably foreseeable cannabis projects and regional growth projections.

**Existing and Reasonably Foreseeable Cannabis Activities**

Table 11 provides a summary of the total number of cannabis activities for which the County has either approved or has received an application as of the date of this initial study. As shown on Table 11, the County has received applications for a total of 115 cultivation sites (including indoor and outdoor) with a total canopy of 330 acres. Under the County's cannabis regulations (LUO Sections 22.40. et seq. and CZLUO Section 22.80 et seq.), the number of cultivation sites allowed within the unincorporated county is limited to 141, and each site may have a maximum of 3 acres of outdoor canopy and 22,000 sq.ft. (0.5 acres) of indoor canopy. Therefore, if 141 cultivation sites are ultimately approved, the maximum total cannabis canopy allowable in the unincorporated county will be 493 acres (141 sites x 3.5 acres of canopy per site = 493 acres). The actual location and range of cannabis activities associated with future cannabis applications is speculative.
Table 11 -- Summary of Cannabis Activities for Unincorporated San Luis Obispo County1

<table>
<thead>
<tr>
<th>Project Type</th>
<th>Total Number of Cannabis Activities2</th>
<th>Canopy (acres)</th>
<th>Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indoor Cultivation</td>
<td>115</td>
<td>89</td>
<td>10</td>
</tr>
<tr>
<td>Outdoor Cultivation</td>
<td>241</td>
<td>241</td>
<td>10</td>
</tr>
<tr>
<td>Total Cultivation:</td>
<td>115</td>
<td>330</td>
<td>20</td>
</tr>
<tr>
<td>Nursery</td>
<td>43</td>
<td>--</td>
<td>3</td>
</tr>
<tr>
<td>Processing</td>
<td>9</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>25</td>
<td>--</td>
<td>6</td>
</tr>
<tr>
<td>Non-Storefront Dispensary</td>
<td>30</td>
<td>--</td>
<td>6</td>
</tr>
<tr>
<td>Distribution</td>
<td>7</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Transport Only</td>
<td>4</td>
<td>--</td>
<td>0</td>
</tr>
<tr>
<td>Laboratory</td>
<td>1</td>
<td>--</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td>234</td>
<td>330</td>
<td>36</td>
</tr>
</tbody>
</table>

Notes:
1. As of the date of this initial study.
2. Total number of all cannabis activities for which an application has been submitted to the County to date. A project site may include multiple cannabis activities.

Figure 11 shows the project site along with other approved and proposed cannabis activities in the vicinity of the project site.

**Figure 11 -- Project Site With Reasonably Foreseeable Cannabis Projects in the Vicinity**
For purposes of assessing the cumulative impacts of cannabis activities, the following assumptions are made:

- All 115 cultivation sites will be approved and developed;
- Each cultivation site will be developed as follows:
  - 3 acres of outdoor cultivation;
  - 0.5 acres of indoor cultivation;
  - 19,000 sq.ft. of ancillary nursery;
  - A total area of disturbance of 4.5 acres to include the construction of one or more buildings to house the indoor cultivation, ancillary nursery and processing;
  - A total of six full-time employees;
  - A total of six average daily motor vehicle trips; and
  - All sites will be served by a well and septic leach field.

**Aesthetic and Visual Resources**

The analysis provided in Section I. Aesthetic and Visual Resources provides an overview of the visual setting and concludes that the potential project-specific impacts will be less than significant with mitigation recommended for light and glare, landscape screening, and the retention of existing screening trees. Since project-specific impacts to visual and aesthetic resources are less than significant, the impacts to aesthetic and visual resources of this project, when considered with the potential impacts of other reasonably foreseeable development in the area, is less than cumulatively considerable.

**Agricultural Resources**

Table 12 provides a summary of the potential impacts to important farmland from all cannabis cultivation applications as of the date of this MND based on the following assumptions:

- All of the applications are approved;
- Each site is developed as described above;
- Cultivation sites often have multiple soil types with different qualities of farmland. For this analysis, the number of cultivation sites impacting a particular important farmland classification is assumed to be directly proportional to the total acreage for the farmland classification. For example, *Prime Farmland* is about 19% of the total acreage potentially impacted by the approved and currently active cultivation applications. Therefore, the number of cultivation sites assumed to impact *Prime Farmland* is: $115 \times .19 = 22$ sites.
Table 12 – Cumulative Impacts to Important Farmland Associated With Approved and Reasonably Foreseeable Cannabis Cultivation Projects

<table>
<thead>
<tr>
<th>Farmland Classification</th>
<th>Total Acres for All Cultivation Projects by Farmland Classification</th>
<th>Percent of Total Acres</th>
<th>Number of Applications for Cultivation</th>
<th>Number of Cultivation Sites by Farmland Classification</th>
<th>Potential Area of Disturbance (Acres)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime Farmland if Irrigated</td>
<td>1,298.8</td>
<td>19%</td>
<td>115</td>
<td>22</td>
<td>98.1</td>
</tr>
<tr>
<td>Farmland of Statewide Importance</td>
<td>980.3</td>
<td>14%</td>
<td>115</td>
<td>16</td>
<td>74.0</td>
</tr>
<tr>
<td>Not Prime Farmland</td>
<td>4,568.8</td>
<td>67%</td>
<td>115</td>
<td>77</td>
<td>345.2</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>6,848.0</strong></td>
<td><strong>--</strong></td>
<td><strong>--</strong></td>
<td><strong>115</strong></td>
<td><strong>517.5</strong></td>
</tr>
</tbody>
</table>

Source: NRCS Soil Survey, 2019

The analysis provided in Section II, Agricultural Resources, indicates that the project will result in the permanent conversion of 3.0 acres of Farmland of Statewide Importance. However, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject project to potential impacts to important farmland is considered less than cumulatively considerable because:

- As shown in Table 4 of Section II, Agricultural Resources the total acreage of important farmland impacted by the project (about 3.0 acre) is less than 0.002 percent of the Farmland of Statewide Importance in the county. Moreover, the county has seen a net increase in the acreage of prime farmland each year since 2006.
- As shown in Table 12, the total acreage of Farmland of Statewide Importance potentially impacted by approved and reasonably foreseeable cannabis cultivation projects in the unincorporated county (about 2,976 acres) is less than the average annual increase in the total amount of prime farmland experienced each year in the County since 2006.
- Potential agricultural activities on the remainder of the project site would be unaffected by the proposed cannabis activities.

**Air Quality**

The analysis provided in Section III, Air Quality, concludes that the project’s potential construction-related emissions would exceed APCD thresholds of significance for both project-related and cumulative impacts. With recommended mitigation measures AQ-1 and AQ-2 construction-related emissions would be less than significant. The analysis also concludes that operational emissions would fall below APCD thresholds. Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject project to potential impacts to air quality, as mitigated, are considered less than cumulatively considerable.

**Biological Resources**

The analysis provided in Section IV., Biological Resources, concludes that the project will have a less than significant impact so long as the recommended avoidance and mitigation measures for listed
plants, pre-construction surveys for listed animal species, protection of oak trees and migratory birds are incorporated into the project description. Because project-specific impacts will have a less than significant impact with mitigation, when considered with the potential impacts of other reasonably foreseeable development in the area, project impacts are considered less than cumulatively considerable.

Energy Use

Cannabis cultivation typically uses an insignificant amount of natural gas. Accordingly, this assessment of cumulative impacts is based on the demand for electricity. The analysis provided in Section VI., Energy, states that the project will increase the demand for electricity by 14,556,000 kWh per year.

Table 13 provides a summary of total electricity demand associated with development of all 115 previously approved and currently-active cannabis cultivation projects. The summary was derived using the CalEEMOD computer model used by the California Air Resources Board and assumes all 115 sites are developed with the maximum allowable canopies: 3 acres for outdoor cultivation and 22,000 sq. ft. for indoor cultivation.

Table 13 – Projected Demand for Electricity From Approved and Reasonably Foreseeable Cannabis Cultivation Projects

<table>
<thead>
<tr>
<th>Land Use</th>
<th>Total Electricity Demand From Current Cannabis Cultivation Projects(^1) (Kilowatt Hours/Year)</th>
<th>Total Electricity Demand (Gigawatt Hours/Year)</th>
<th>Electricity Consumption In San Luis Obispo County in 2018(^2) (Gigawatt Hours)</th>
<th>Total Demand In San Luis Obispo County With Cannabis Cultivation (Gigawatt Hours/Year)</th>
<th>Percent Increase Over 2018 Demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outdoor Cultivation</td>
<td>184,259,000</td>
<td>184</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indoor Cultivation</td>
<td>620,400,000</td>
<td>620</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td>804,659,000</td>
<td>804</td>
<td>1,765.9</td>
<td>2,569</td>
<td>45%</td>
</tr>
</tbody>
</table>

Notes:

1. Source: CalEEMOD 2016 v.3.2. Assumes 115 cultivation projects with 3.5 acres of cannabis canopy.

Table 13 indicates that electricity demand in San Luis Obispo County could increase by as much 45% if all 115 cultivation projects are approved and constructed. Table 14 shows the percent increase in the projected 2030 demand throughout PG&E’s service area for electricity, assuming all 115 cultivation projects are approved and implemented.
Table 14 – Projected Demand for Electricity From Approved and Reasonably Foreseeable Cannabis Cultivation Projects Compared With Projected 2030 Demand

| Increased Electricity Consumption In San Luis Obispo County With 115 Cannabis Cultivation Projects¹ (Gigawatt Hours) | 804 |
| Projected 2030 Demand² | 33,784 |
| Percent Increase in 2030 Demand With Cannabis Cultivation | 2.4% |

Notes:

1. Source: CalEEMOD 2016 v.3.2. Assumes 115 cultivation projects with 3.5 acres of cannabis canopy.
2. Source: Pacific Gas and Electric, 2018, Integrated Resource Plan. PG&E is required by State law (the Renewable Portfolio Standard) to derive at least 60% percent of their electricity from renewable sources by 2030. These sources are “bundled” and offered for sale to other Load Serving Entities (utility providers).

The project’s contribution to the increased demand for electricity, when considered with the growth of demand in other parts of the PG&E service area for electricity, would be considered wasteful and inefficient and cumulatively considerable. Mitigation ENG-1, ENG-2 and ENG-3 requires the applicant to provide an Energy Conservation Plan demonstrating strategies to reduce or offset for cannabis related electricity demand and greenhouse gas emissions. With implementation of these measures cumulative impacts associated with energy use will be less than cumulatively considerable.

**Greenhouse Gas (GHG) Emissions**

As discussed in Section VII., the project is expected to generate 4,221 metric tons of GHG emissions per year. Accordingly, using the GHG threshold information described in the Setting section, the project is expected to exceed than the Bright-Line Threshold of 1,150 metric tons of GHG emissions. Therefore, the project’s potential direct and cumulative GHG emissions are considered significant and cumulatively considerable. Mitigation ENG-1, ENG-2 and ENG-3 requires the applicant to provide an Energy Conservation Plan demonstrating a 100% offset for cannabis related electricity demand and greenhouse gas emissions. With implementation of these measures cumulative impacts associated with greenhouse gas emissions will be less than cumulatively considerable.

**Hydrology/Water Demand**

For purposes of assessing the cumulative impact to water supplies, the following assumptions are made:

- All 115 cannabis cultivation projects are approved and implemented;
- All 115 projects derive their water demand from groundwater resources;
- Water demand associated with outdoor cannabis cultivation is assumed to be 0.03 gallons per day per square foot of canopy, and 0.1 gallons per day per square foot of canopy for indoor cultivation;
- The growing period for outdoor cultivation and ancillary nursery is assumed to be 270 days; the growing season for indoor cultivation is assumed to be 365 days; and
- This analysis assumes no recycling of water.
Table 15 – Total Estimated Water Demand from Cannabis Cultivation

<table>
<thead>
<tr>
<th>Bulletin 118 Groundwater Basin¹</th>
<th>Number of Cultivation Projects</th>
<th>Acres</th>
<th>Total Estimated Water Demand From Cannabis Cultivation AF/Year²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paso Robles Groundwater Basin⁴</td>
<td>33²</td>
<td>2,648.41</td>
<td>190.09</td>
</tr>
<tr>
<td>Carrizo Plain Groundwater Basin</td>
<td>13</td>
<td>585.01</td>
<td>75.84</td>
</tr>
<tr>
<td>Pozo Valley Groundwater Basin</td>
<td>1</td>
<td>129</td>
<td>7.28</td>
</tr>
<tr>
<td>Atascadero Basin</td>
<td>6</td>
<td>190.55</td>
<td>35.85</td>
</tr>
<tr>
<td>Los Osos Groundwater Basin⁴</td>
<td>2</td>
<td>278.6</td>
<td>12.99</td>
</tr>
<tr>
<td>San Luis Obispo Valley</td>
<td>1</td>
<td>11.93</td>
<td>7.28</td>
</tr>
<tr>
<td>Santa Maria Valley Groundwater Basin⁴</td>
<td>13</td>
<td>833.73</td>
<td>75.84</td>
</tr>
<tr>
<td>Huasna Valley</td>
<td>2</td>
<td>50.21</td>
<td>12.99</td>
</tr>
<tr>
<td><strong>Sub-Total:</strong></td>
<td><strong>71</strong></td>
<td><strong>4,727.44</strong></td>
<td><strong>407.18</strong></td>
</tr>
<tr>
<td><strong>Not Within A Bulletin 118 Groundwater Basin</strong></td>
<td><strong>44</strong></td>
<td><strong>2,120.56</strong></td>
<td><strong>252.93</strong></td>
</tr>
<tr>
<td><strong>Total for All Cultivation Sites</strong></td>
<td><strong>115</strong></td>
<td><strong>6,848.21</strong></td>
<td><strong>660.11</strong></td>
</tr>
</tbody>
</table>

Notes:
2. Includes 661.21 acres (12 projects) in the Area of Severe Decline.
3. Based on the assumptions for development and water demand outlined above.
4. Designated “Critically Overdrafted” groundwater basins by the California department of Water Resources.

As shown in Table 15, a total of 71 cultivation projects are served by groundwater basins designated by the Department of Water Resources Bulletin 118. Two of the eight basins where cultivation is proposed, Los Osos Valley and the Paso Robles Groundwater Basin, are designated as “Critically Overdrafted” by the State. In addition, new development within the Paso Robles and the Santa Maria Valley groundwater basins is subject to the water conservation provisions of Chapter 19.07.042 of the County Code. Prior to issuance of a construction permit for a new structure with plumbing fixtures, the developer of such new structure must obtain an offset clearance from the department of planning and building verifying that new water use has been offset at a 1:1 ratio. Water savings must come from the same groundwater basin as the proposed new development.

Lastly, section 22.40.050 D. 5. requires that a cultivation project located within a groundwater basin with a Level of Severity III (LOS III) as determined by the most recent Resource Management Report must provide an estimate of water demand prepared by a licensed professional or other expert, and a description of how the new water demand will be offset. For such projects, the water use offset ratio is 1:1. If the project is within an Area of Severe Decline the offset requirement is 2:1, unless a greater offset is required by the review authority through the permit review process.

Groundwater basins serving cannabis cultivation that have been designated Level of Severity III include the Paso Robles, Los Osos and Santa Maria Valley groundwater basins. As shown in Table 15,
there are 48 cultivation projects with a total estimated water demand of 278.9 AFY within groundwater basins that are subject to the 1:1 water use offset requirement. Therefore, the net increase in water demand from cannabis cultivation in these basins is assumed to be zero. There are 23 cultivation sites within other groundwater basins that are not subject to the water use offset requirements of Title 19.04 and 44 sites that do not overlie a designated groundwater basin. Therefore, the net cumulative water demand from cannabis cultivation is assumed to be 392.17 AFY.

Table 16 – Total Estimated Water Demand from Cannabis Cultivation From Bulletin 118 Groundwater Basins With No Level of Severity

<table>
<thead>
<tr>
<th>Bulletin 118 Groundwater Basin¹</th>
<th>Number of Cultivation Projects</th>
<th>Acres</th>
<th>Total Estimated Water Demand From Cannabis Cultivation AF/Year²</th>
<th>Total Storage/ Safe Yield¹</th>
<th>Status of Groundwater Basin²</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrizo Plain Groundwater Basin</td>
<td>13</td>
<td>585.01</td>
<td>75.84</td>
<td>Total storage estimated to be 400,000 AF</td>
<td>No Level of Severity</td>
</tr>
<tr>
<td>Pozo Valley Groundwater Basin</td>
<td>1</td>
<td>129.00</td>
<td>7.28</td>
<td>The total storage capacity is estimated at 2,000 AF</td>
<td>No Level of Severity</td>
</tr>
<tr>
<td>Atascadero Basin</td>
<td>6</td>
<td>190.55</td>
<td>35.85</td>
<td>Safe Yield estimated to be 16,400 AF</td>
<td>No Level of Severity</td>
</tr>
<tr>
<td>San Luis Obispo Valley</td>
<td>1</td>
<td>11.93</td>
<td>7.28</td>
<td>The total storage capacity is estimated at 10,000 – 22,000 AF</td>
<td>No Level of Severity</td>
</tr>
<tr>
<td>Huasna Valley</td>
<td>2</td>
<td>50.21</td>
<td>12.99</td>
<td>No estimate of storage of safe yield</td>
<td>No Level of Severity</td>
</tr>
<tr>
<td>Total:</td>
<td>23</td>
<td>966.69</td>
<td>139.24</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

Notes:
1. 2014 Integrated Regional Water Management Plan
2. 2014-2016 Resource Summary Report

The cumulative impact of water demand associated with cannabis cultivation is expected to be less than cumulatively considerable because:

• Water demand associated with the 48 cannabis cultivation projects within basins that have been assigned a Level of Severity III by the County’s Resource Management System will be offset by a ratio of at least 1:1;

• Water demand associated with cannabis cultivation within groundwater basins without an assigned Level of Severity for water supply are not in a state of overdraft and the County’s Resource Management System has concluded that they are expected to meet the estimated demand from urban, rural and agricultural demand for at least 15 years. As shown in Table 16, the marginal demand associated with cannabis cultivation is insignificant in relation to the available storage capacities of these basins; and

• Water demand for areas outside of designated groundwater basins will not (by definition) adversely impact groundwater basins.
Noise

With recommended mitigation measure N-1, noise impacts associated with HVAC and odor management systems are considered less than significant. Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject project to potential noise impacts, as mitigated, is considered less than cumulatively considerable.

Population and Housing

The most recent projection of regional growth for San Luis Obispo County is the 2050 Regional Growth Forecast (RGF) for San Luis Obispo County prepared and adopted by the San Luis Obispo Council of Governments (SLOCOG) in 2017. Using the Medium Scenario, the total County population, housing and employment for both incorporated and unincorporated areas is projected to increase at an average annual rate of 0.50 percent per year. Between 2015 and 2050 the County's population is projected to increase by 44,000, or about 1,260 residents per year. Within the unincorporated area, the population is expected to increase by about 19,500 residents, or about 557 per year. Employment is expected to increase by about 6,441, or about 184 per year.

Cannabis cultivation activities typically employ 4 – 6 full-time workers and up to 12 workers temporarily during the harvest. The 2050 employment forecast does not account for employment associated with cannabis activities because of the formerly illegal status of the industry. However, assuming 115 cultivation projects, total employment associated with cannabis cultivation could result in as many as 920 jobs. It is most likely that these workers will be sourced from the existing workforce in San Luis Obispo County. However, if all 920 workers are new residents to the County, it would represent a 2% increase in the projected growth in population between 2015 and 2050. The small increase in projected population is not expected to result in an increased demand for housing throughout the county. Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject project to impacts related to housing and population is considered less than cumulatively considerable.

Public Services

Public facility (County) and school (State Government Code 65995 et seq.) fee programs have been adopted to address this impact and will reduce the cumulative impacts to less-than-significant levels.

Transportation

The Department of Public Works has derived trip generation rates for cannabis cultivation from traffic reports and through the trip generation rates published by the Institute of Traffic Engineers. Table 17 provides an estimate of total ADT and vehicle miles traveled associated with buildout of the 115 approved and active cannabis cultivation projects.
Table 17 – Cumulative Average Daily Trips From Cannabis Cultivation

<table>
<thead>
<tr>
<th>Use</th>
<th>Unit</th>
<th>ADT³</th>
<th>Cannabis Cultivation</th>
<th>Total ADT</th>
<th>PM Peak Hour Trips</th>
<th>Vehicle Miles Travelled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultivation, Indoor (includes greenhouses, plant processing, drying, curing, etc.)</td>
<td>1,000SF¹</td>
<td>0.27</td>
<td>2,530,000 sq.ft.</td>
<td>690</td>
<td>10.3</td>
<td>19,320</td>
</tr>
<tr>
<td>Cultivation, Outdoor (includes hoop house)</td>
<td>Acres²</td>
<td>2.00</td>
<td>345 acres</td>
<td>683</td>
<td>68.3</td>
<td>19,126</td>
</tr>
<tr>
<td>Seasonal Employees**</td>
<td>Employee</td>
<td>2.00</td>
<td>460 employees</td>
<td>460</td>
<td>460</td>
<td>12,880</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td></td>
<td></td>
<td></td>
<td>1,833</td>
<td>538.6</td>
<td>51,326</td>
</tr>
</tbody>
</table>

Notes:
1. Units based on gross square feet, acres, and employees.
2. Seasonal Trips are adjusted based on the annual frequency.
3. Source: Department of Public Works

The most recent estimate of total vehicle miles travelled (VMT) for the County is from 2013 at which time total VMT per day was estimated to be 7,862,000. Assuming a 1% annual growth in VMT during the intervening six years, the current (2019) VMT is estimated to be about 8,333,720. Accordingly, the 51,326 VMT associated with cannabis cultivation will result in an increase about 0.61 percent in the total county VMT. The small increase in VMT is not expected to result in a reduction of the level of service on county streets and intersections. Moreover, each project is required to mitigate project-specific impacts to the transportation network. Such mitigation may include, but is not limited to, the installation of roadway and intersection improvements necessary to maintain an adequate level of service and the payment of road improvement fees. Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject project to roadway impacts is considered less than cumulatively considerable.

(c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?

Environmental impacts that may have an adverse effect on human beings, either directly or indirectly, are analyzed in each of the preceding topical sections of this initial study.

Conclusion
The project has been determined not to meet the Mandatory Findings of Significance with implementation of mitigation measures for aesthetic and visual resources, air quality, energy, greenhouse gas emissions, and biological resources (Exhibit B).

Mitigation
Please refer to Exhibit B.
Exhibit A - Initial Study References and Agency Contacts

The County Planning Department has contacted various agencies for their comments on the proposed project. With respect to the subject application, the following have been contacted (marked with an ☑) and when a response was made, it is either attached or in the application file:

<table>
<thead>
<tr>
<th>Contacted Agency</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>☑ County Public Works Department</td>
<td>In File**</td>
</tr>
<tr>
<td>☑ County Environmental Health Services</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ County Agricultural Commissioner’s Office</td>
<td>In File**</td>
</tr>
<tr>
<td>☑ County Airports Manager</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ Airport Land Use Commission</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ Air Pollution Control District</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ County Sheriff’s Department</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ Regional Water Quality Control Board</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ CA Coastal Commission</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ CA Department of Fish and Wildlife</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ CA Department of Forestry (Cal Fire)</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ CA Department of Transportation</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ Community Services District</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>☑ Other Santa Margarita Area Advisory Committee</td>
<td>In File**</td>
</tr>
<tr>
<td>☑ Other AB 52</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

** “No comment” or “No concerns”-type responses are usually not attached

The following checked ☑) reference materials have been used in the environmental review for the proposed project and are hereby incorporated by reference into the Initial Study. The following information is available at the County Planning and Building Department.

- Project File for the Subject Application
- Design Plan
- Specific Plan
- Coastal Plan Policies
- Annual Resource Summary Report
- Framework for Planning (Coastal/Inland)
- Circulation Study
- General Plan (Inland/Coastal), includes all maps/elements; more pertinent elements:
  - Agriculture Element
  - Conservation & Open Space Element
  - Economic Element
  - Housing Element
  - Noise Element
  - Parks & Recreation Element/Project List
  - Safety Element
- Land Use Ordinance (Inland/Coastal)
- Design Plan
- Building and Construction Ordinance
- Annual Resource Summary Report
- Public Facilities Fee Ordinance
- Circulation Study
- Real Property Division Ordinance
- Airport Land Use Plan
- Affordable Housing Fund
- Energy Wise Plan
- Airport Land Use Plan
- North County Area Plan/Las Pilitas Sub Area
In addition, the following project-specific information and/or reference materials have been considered as a part of the Initial Study:

Project application materials are incorporated by reference and available for review in their entirety at the Department of Planning and Building, 970 Osos Street, Suite 200, San Luis Obispo

Abalone Coast Analytical, Inc., October 16, 2018, water quality report

BSK Associates, October 23, 2018, water quality report

Heritage Discoveries, Inc, October 18, 2018, Phase I Archaeological Surface Survey

Althouse and Meade, Inc., August 20, 2019, Updated Biological Resource Assessment for 880 Parkhill Road

Wallace Group, Inc., March 8, 2018, Water Use Estimates for 880 Parkhill Road Cannabis Cultivation

Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Section 8305


CalEEMOD version 2016.3.2


San Luis Obispo Council of Governments, 2017, 2050 Regional Growth Forecast (RGF) for San Luis Obispo County


2014-2016 Resource Summary Report

Letter from David Grim, Department of Public Works, July 25, 2019

Letter of July 9, 2019 from Lynda Auchinachie, Agriculture Department

E-mail of July 11, 2019 US Fish and Wildlife Service

E-mail from the Northern Chumash Tribal Council, July 17, 2019

E-mail of November 20, 2018 from Michael Stoker, Building Department

E-mail of November 11, 2018 from Jeff Stranlund, Assessor’s Office

Letter of October 2, 2019 from the Santa Margarita Area Advisory Committee

Ken Bundy Mobil Well Service, October 8, 2018, Well Test Report for 880 Parkhill Road, Santa Margarita CA
Exhibit B - Mitigation Summary

The applicant has agreed to incorporate the following measures into the project. These measures become a part of the project description and therefore become a part of the record of action upon which the environmental determination is based. All development activity must occur in strict compliance with the following mitigation measures. These measures shall be perpetual and run with the land. These measures are binding on all successors in interest of the subject property.

Aesthetic and Visual Resources

AES-1 Aesthetics – Building Height. Greenhouse buildings shall not exceed 25 feet in height above the average natural grade as defined by LUO Section 22.10.090. The proposed Processing Building shall not exceed 30 feet in height above the average natural grade. The Applicant shall clearly delineate these heights on applicable construction drawings.

AES-2 Aesthetics – Landscape Plan. To provide visual screening for proposed buildings for indoor cultivation, ancillary and commercial nursery when viewed from Parkhill Road, the applicant shall prepare a Landscape Screening Plan. The Plan shall be consistent with Section 22.04.186 of the San Luis Obispo County Land Use Ordinance and shall include fast growing, evergreen vegetation that will screen, and [help blend into the existing environment, the new buildings when viewed from Parkhill Road. Plant material selected shall perform well in the soils and climate for which it is planted. The Applicant shall maintain the screening for the life of the structures identified as requiring visual mitigation.

The landscape screening vegetation shall meet the following levels of screening success criteria:

a. At 3 years from planting, the vegetation shall screen at least 50% of the intended structures;
b. At 5 years from planting, the vegetation shall screen at least 80% of the intended structures.
c. At each milestone, the Applicant shall provide photos taken from key public viewing areas showing the amount of screening provided, and submit to the County for review. Should any performance milestone not be met, the Applicant shall retain a qualified expert (e.g., nurseryman/landscaping contractor) to assess the conditions and to make recommendations to achieve the next milestone. The applicant will implement these recommendations.
d. The landscape plan shall consist of plant material that is either native to the immediate area, or is considered compatible (and non-invasive) with the nearby native vegetation, as determined by a landscape contractor or architect familiar with native plants.
e. The landscape plan shall consist of plant material that is considered ‘Fire Resistant’ as identified in the County’s Approved Plant List. Plantings should be no closer than 30 feet from all habitable structures.
f. All landscaping plans shall contain a note, signed by a qualified individual (e.g., arborist, landscape architect/contractor, nurseryman), certifying that the plant materials specified in the plan are consistent with Section 22.04.184 of the San Luis Obispo County Land Use Ordinance.
AES-3 Aesthetics – Screening Tree Protection. Per the attached Exhibit C, the Applicant agrees to protect and retain the existing ‘Screening Trees’ to reduce public visual impacts from the proposed project, as seen from Parkhill Road. The following shall apply to all ‘Screening Trees’:

a. Significant Impact Avoidance - construction. Prior to any construction/vegetation removal, a temporary protective fence shall be installed to keep all construction-related activities outside of the tree’s canopy/outer edge of dripline; this fencing shall be kept in good working order throughout the construction phase; where possible, this fencing shall be placed 10-15 feet outside of the outer edge of the dripline; any exposed surface root shall be immediately cut cleanly just below the final surface grade; leach lines shall be no closer than 15 feet outside of the outer edge of the dripline; any landscaping installed that requires summer watering shall be placed no closer than 10 feet outside of the outer edge of the dripline. When finalizing any Drainage and/or Grading Plan, all practical efforts shall be made to retain/direct historic levels of surface drainage within the Screening Tree dripline(s).

b. Significant Impact Avoidance – post-construction. Should any of the activities under ‘Significant Impact Avoidance – construction’ occur post-construction, the specified protective measure shall be applied; no livestock shall be allowed under the tree dripline; using accepted arborist’s techniques, limited trimming is allowed as follows: no more than 10% of the canopy may be trimmed in any given year, and no more than 25% over any five consecutive year period.

c. The removal of one or more ‘Screening Trees; identified in Exhibit C may be approved by the Director if it has been determined by a qualified arborist to be dead or diseased, or that it poses a risk to life and property. If Screening Trees are removed, they shall be replaced at a ratio of 4:1. Replacement trees shall be of one gallon size, of local origin, and of the same species as was removed. Replacement trees shall be seasonally maintained (browse protection, weed reduction and irrigation, as needed) and monitored annually for at least seven years. Prior to removal of any screening trees, including dead trees, a survey shall be conducted by a qualified biologist to determine if any of the trees proposed for removal harbor sensitive bat species or maternal bat colonies as described in Mitigation Measure BR-5.

AES-4 Nighttime lighting. Prior to issuance of construction permits, the applicant shall submit a light pollution prevention plan (LPPP) to the County Planning Department for approval that incorporates the following measures to reduce impacts related to night lighting:

a. Prevent all interior lighting from being detected outside the facilities between the period of 1 hour before dusk and 1 hour after dawn;

b. All facilities employing artificial lighting techniques shall include shielding and/or blackout tarps that are engaged between the period of 1 hour before dusk and 1 hour after dawn and prevent any and all light from escaping;

c. Any exterior path lighting shall conform to LUO Section 23.04.10.320, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site. Exterior path lighting shall be “warm-white” or filtered (correlated color temperature of < 3,000 Kelvin; scotopic/photopic ratio of < 1.2) to minimize blue emissions; and

d. Any exterior lighting used for security purposes shall be motion activated, be located and designed to be motion activated, and be directed downward and to the interior of the site to
avoid the light source from being visible off-site, and shall be of the lowest-lumen necessary to address security issues.

Air Quality

AQ-1 Fugitive Dust Emissions. The following measures shall be implemented to minimize construction-generated emissions. These measures are based on SLOAPCD standard mitigation measures and would help to ensure compliance with the SLOAPCD’s 20% opacity limit (SLOAPCD Rule 401) and nuisance rule (SLOAPCD Rule 402). These measures shall be shown on grading and building plans:

a. Construction of the proposed project shall use low-VOC content paints not exceeding 50 grams per liter.

b. To the extent locally available, prefinished building materials or materials that do not require the application of architectural coatings shall be used.

c. Reduce the amount of the disturbed area where possible.

d. Use water trucks, APCD approved dust suppressants (see Section 4.3 in the CEQA Air Quality Handbook), or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the District’s limit of 20% opacity for greater than 3 minutes in any 60-minute period. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible. Please note that since water use is a concern due to drought conditions, the contractor or builder shall consider the use of an APCD-approved dust suppressant where feasible to reduce the amount of water used for dust control. For a list of suppressants, see Section 4.3 of the CEQA Air Quality Handbook.

e. All dirt stock-pile areas should be sprayed daily as needed.

f. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil disturbing activities;

g. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established.

h. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the SLOAPCD.

i. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used.

j. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site.

k. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114.
Initial Study – Environmental Checklist

l. Install wheel washers at the construction site entrance, wash off the tires or tracks of all trucks and equipment leaving the site, or implement other SLOAPCD-approved methods sufficient to minimize the track-out of soil onto paved roadways.

m. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible.

n. The burning of vegetative material shall be prohibited. Effective February 25, 2000, the APCD prohibited developmental burning of vegetative material within San Luis Obispo County. If you have any questions regarding these requirements, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.

o. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the SLOAPCD Compliance Division prior to the start of any grading, earthwork or demolition.

p. When applicable, portable equipment, 50 horsepower (hp) or greater, used during construction activities shall be registered with the California statewide portable equipment registration program (issued by the California Air Resources Board) or be permitted by the APCD. Such equipment may include: power screens, conveyors, internal combustion engines, crushers, portable generators, tub grinders, trommel screens, and portable plants (e.g, aggregate plant, asphalt plant, concrete plant). For more information, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.

AQ-2 ROG, NOx, DPM Emissions. The following measures based on the SLOAPCD standard mitigation measures for construction equipment for reducing nitrogen oxides (NOx), reactive organic gases (ROG), and diesel particulate matter (DPM) emissions from construction equipment shall be implemented to reduce exposure of sensitive receptors to substantial pollutant concentrations. These measures shall be shown on grading and building plans:

a. Implement Mitigation Measure AQ-1, as identified above.

b. On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:

c. Shall not idle the vehicle's primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and,

d. Shall not operate a diesel-fueled auxiliary power system to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.

e. Maintain all construction equipment in proper tune according to manufacturer's specifications;
Initial Study – Environmental Checklist

- Fuel all off-road and portable diesel-powered equipment with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
- Use diesel construction equipment meeting ARB’s Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation;
- Idling of all on and off-road diesel-fueled vehicles shall not be permitted when not in use. Signs shall be posted in the designated queuing areas and or job site to remind drivers and operators of the no idling limitation.
- Electrify equipment when possible;
- Substitute gasoline-powered in place of diesel-powered equipment, when available; and,
- Use alternatively fueled construction equipment on-site when available, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane or biodiesel.

AQ-3 Developmental burning. As of February 25, 2000, the APCD prohibits developmental burning of vegetative material within San Luis Obispo County. However, under certain circumstances where no technically feasible alternatives are available, limited developmental burning under restrictions may be allowed. Any such exception must complete the following prior to any burning: APCD approval; payment of fee to APCD based on the size of the project; and issuance of a burn permit by the APCD and the local fire department authority. As a part of APCD approval, the applicant shall furnish them with the study of technical feasibility (which includes costs and other constraints) at the time of application. For any questions regarding these requirements, contact the APDD at (805) 781-5912.

Biological Resources

BR-1 Mitigation for permanent impacts to paniculate tarplant and California spineflower, both CRPR 4.2 species, shall be preservation and/or creation of tarplant habitat at a 1:1 ratio (preserved/created habitat: impacted habitat). The goal of this mitigation measure is to ensure paniculate tarplant and California spineflower persist outside the Project footprint, within the Property limits, in an area at least as large as the pre-Project condition of, 0.97 acre and 0.04 acre. Prior to building permit issuance, and to ensure the success of onsite preserved land and compensation of temporary and permanent impacts to paniculate tarplant and California spineflower, the Applicant shall retain a County-qualified biologist to prepare a Habitat Mitigation and Monitoring Plan (HMMP) for review and approval by the County. To achieve the goal of establishing or retaining a successful and high quality habitat in the areas specified, the HMMP will include, at a minimum, the following information:

a. A summary of anticipated impacts and proposed mitigation for paniculate tarplant (Deinandra paniculate) and California spineflower (Mucronaea californica).

b. Detailed graphics showing the boundaries of native areas proposed for preservation and areas proposed for habitat restoration once construction is completed.

c. A list of performance measures and success criteria upon which to base the successfulness of measures implemented over the specified period of time, and remediation measures to be taken should such interim or long-term objectives not be achieved.

d. Discussion of short- and long-term management to be performed to ensure habitat and sensitive species preservation. If grazing is proposed as a management tool, adequate detail
shall be included to demonstrate how it is supporting the primary objective to preserve the native habitat and sensitive species.

e. The HMMP shall also include specific objectives, monitoring methods, data analysis, reporting requirements, monitoring schedule, etc.

f. Monitoring and maintenance will be conducted for a minimum of five years after the completion of construction activities. The monitoring strategy, should include, at the minimum, the following:

3. Document pre-project population levels for the sensitive species or habitat originally identified.

4. Monitor species/habitat population(s) upon completion of construction activities, during project operation, for a minimum of three years.

g. A contingency plan shall be created for mitigation elements that do not meet performance or final success criteria within five years. The contingency plan will include specific triggers for remediation if performance criteria are not being met and actions to be taken to resolve the problems identified.

h. The Applicant shall prepare a cost estimate for the above work, for review and approval by the County. A financial assurance mechanism acceptable to the County shall be established to ensure completion of the approved HMMP.

**BR-2** Prior to construction and during construction, within one week prior to any ground or vegetation disturbance activities, including equipment staging and mowing, if work occurs between February 1 and September 15, nesting bird surveys shall be conducted. Surveys may be phased if appropriate to coincide with scheduled construction activities. If surveys do not locate nesting birds, construction activities may be conducted. If nesting birds are located, no construction activities shall occur within 100 feet of nests. Occupied nests of special status bird species within Project work areas shall be mapped using GPS or survey equipment. Work shall not be allowed within a 300-foot buffer (for non-raptors) or 500-foot buffer (for raptors) while the nest is in use. The buffer zone shall be delineated on the ground with highly visible fencing or rope barriers where it overlaps work areas. The Project biologist conducting the nesting survey shall recommend an appropriate buffer depending upon site conditions and the species for review and approval by the County in consultation with CDFW. Occupied nests of special status bird species shall be monitored at least every two weeks through the nesting season to document nest success and check for Project compliance with buffer zones. Once nests are deemed inactive and/or chicks have fledged and are no longer dependent on the nest, work may commence in these areas. A pre-construction survey report shall be submitted to the County immediately upon completion of the survey. The report shall detail appropriate fencing or flagging of the buffer zone and make recommendations on additional monitoring requirements, where applicable. A map of the Project site and nest locations shall be included with the report.

**BR-3** A focused preconstruction survey for legless lizards and California glossy snake shall be conducted in proposed disturbance areas immediately prior to (within 24 hours of) ground-breaking or vegetation removal activities that would affect potentially suitable habitat, as determined by the project biologist. The preconstruction survey shall be conducted by a qualified biologist to relocate legless lizards and glossy snakes out of harm's way. If ground or vegetation disturbance activities do not commence within 24 hours of the survey, the survey shall be repeated. Surveys may be
staggered to allow flexibility with the construction schedule. If the focused survey results are negative no further action shall be required. If legless lizards or glossy snakes are found to be present in the proposed work areas the following steps shall be taken:

1. Legless lizards shall be captured by hand by the project biologist and relocated to an appropriate location well outside the project areas.

2. California glossy snakes shall be allowed to move from the work area, or if necessary, shall be captured by hand by the project biologist and relocated to an appropriate location well outside the project areas.

3. Construction monitoring shall be required during all new ground-breaking activities located within legless lizard or glossy snake lizard habitat.

4. A letter report of the finding of the preconstruction survey and any monitoring shall be submitted to the County within 30 days of completion.

**BR-4** The nighttime (sunset to sunrise) speed limit on project roadways shall not exceed 15 miles per hour after sunset during project construction and operations. During construction, the nighttime speed limit shall be posted at the site entrance. At least one permanent speed limit sign shall be posted along the facility access road during operations.

**BR-5** Prior to removal of any trees, including dead trees, a survey shall be conducted by a qualified biologist to determine if any of the trees proposed for removal harbor sensitive bat species or maternal bat colonies. If a non-maternal roost is found, the qualified biologist, with prior approval from California Department of Fish and Wildlife, will install one-way valves or other appropriate passive relocation method. For each occupied roost removed, one bat box or crevice structure shall be installed in similar habitat and should have similar cavity or crevices properties to those which are removed, including access, ventilation, dimensions, height above ground, and thermal conditions. Maternal bat colonies may not be disturbed during the breeding season and shall be avoided by 50 feet while active.

**BR-6** Existing structures proposed for removal or Project use shall be surveyed for bats by a qualified biologist prior to dismantling or using to determine if roosting bats are present. If a colony of bats is found roosting in any structure, further surveys shall be conducted sufficient to determine the species present and the type of roost (day, night, maternity, etc.) If the bats are not part of an active maternity colony, passive exclusion measures may be implemented with approval from CDFW. If maternal bat colonies are located in a structure, the structure shall not be dismantled until breeding activity is complete (young have matured). If bats are roosting in a structure on the Property during the daytime but are not part of an active maternity colony, then exclusion measures must include one-way valves that allow bats to get out but are designed so that the bats may not re-enter the structure. For each occupied roost removed, one bat box or crevice structure shall be installed in similar habitat and should have similar cavity or crevices properties to those which are removed, including access, ventilation, dimensions, height above ground, and thermal conditions.

**BR-7** Security and night lighting should be pointed away or shielded from oak woodland habitat and kept to the minimum extent feasible while maintaining the safety and operation of the facility.

**BR-8** Pre-construction survey for American badger. A qualified biologist shall complete a pre-construction survey for badger no less than 14 days and no more than 30 days prior to the start of initial project activities to ensure badger is not present within all proposed work areas and a 200-foot buffer.
dens are discovered, they shall be inspected to determine if they are currently occupied. If active badger dens are found, an exclusion zone shall be established around the den. A minimum of a 50-foot exclusion zone shall be established during the non-breeding season (July 1 to January 31) and a minimum 100-foot exclusion zone during the breeding season (February 1 to June 30). Each exclusion zone shall be roughly circular in configuration with a radius of 50 feet (non-breeding season) or 100 feet (breeding season) measured outward from the burrow entrances. All foot and vehicle traffic, as well as all project activities, including storage of supplies and equipment, shall remain outside of exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, or it has been determined by a qualified biologist that the den is no longer in use. If avoidance is not possible during project construction or continued operation, the appropriate resource agency shall be contacted for further guidance. The results of the survey shall be provided to the County prior to initial project activities.

If a significant amount of time lapses between different phases of project activities (e.g., vegetation trimming and the start of grading), where no or minimal work activity occurs, the badger survey shall be updated. The amount of time necessary to trigger an updated survey will depend on the work location, habitat of the area to be disturbed, and season during which work is planned.

**BR-9** Prior to commencement of Project construction activities, tree protection fencing shall be installed along the outer limit of the critical root zone (1.5 times the trunk diameter) of all oak trees within 50 feet of Project activities. The fencing shall be in place for the duration of the construction occurring within 50 feet of the trees. Where approved Project activities are within the critical root zone, fencing shall be temporarily moved to facilitate the work. A biological monitor or arborist shall be present during approved Project activities within the critical root zone to document impacts to the trees, and shall provide a written report to the County of any mitigation obligation.

**BR-10** Impacts to the oak canopy or critical root zone should be avoided where practicable. Impacts include pruning, any ground disturbance within the dripline or critical root zone of the tree (whichever distance is greater), placement of leach field component within 50 feet of critical root zones, and trunk damage. Impacts to native oak trees shall be mitigated through one of the following options:

A. **Planting additional trees on site.** Any oak trees greater than 5 inches DBH shall be replaced in kind at a 4:1 ratio if removed, and a 2:1 ratio if impacted. Oaks impacted shall be replaced in kind at a 2:1 ratio. Replacement trees shall be of one gallon size, of local origin, and of the same species as was impacted. Replacement trees shall be seasonally maintained (browse protection, weed reduction and irrigation, as needed) and monitored annually for at least seven years.

B. **Conservation or Open Space Easement.** A conservation or open space easement may be established on the Property to mitigate for impacts to oak trees. The size of the easement will be determined by the number of oak trees removed and/or impacted. For every tree removed, 4,000 square feet of oak woodland habitat will be preserved. For every tree impacted, 2,000 square feet of oak woodland habitat will be preserved. An open space easement, management agreement, or covenant shall be recorded and included information on allowed uses and management within the preserved area.
Energy and Greenhouse Gas Emissions

ENG-1 Prior to issuance of building permits, the applicant shall provide to the Department of Planning and Building for review and approval, an Energy Conservation Plan with a package of measures that, when implemented, would reduce or offset the project's energy demand to within 20% of the demand associated with a generic commercial building of the same size. The Energy Conservation Plan shall include the following:

a. A detailed inventory of energy demand prepared by a Certified Energy Analyst. The inventory shall include an estimate of total energy demand from all sources associated with all proposed cannabis cultivation activities including, but not limited to, lighting, odor management, processing, manufacturing and climate control equipment. The quantification of demand associated with electricity shall be expressed in total kilowatt hours (kWh) per year; demand associated with natural gas shall be converted to kWh per year.

b. A program for providing a reduction or offset of all energy demand that is 20% or more than a generic commercial building of the same size. Such a program (or programs) may include, but is not limited to, the following:

   i. Evidence that the project will permanently source project energy demands from renewable energy sources (i.e. solar, wind, hydro). This can include purchasing the project’s energy demand from a clean energy source by enrolling PG&E’s Solar Choice program or Regional Renewable Choice program or other comparable public or private program.

   ii. Evidence documenting the permanent retrofit or elimination of equipment, buildings, facilities, processes, or other energy saving strategies to provide a net reduction in electricity demand and/or GHG emissions. Such measures may include, but is not limited to, the following:

      1. Participating in an annual energy audit.
      2. Upgrading and maintaining efficient heating/ cooling/ dehumidification systems.
      3. Implement energy efficient lighting, specifically light-emitting diode (LED) over high-intensity discharge (HID) or high-pressure sodium (HPS) lighting.
      4. Implementing automated lighting systems.
      5. Utilizing natural light when possible.
      6. Utilizing an efficient circulation system.
      7. Ensuring that energy use is below or in-line with industry benchmarks.
      8. Implementing phase-out plans for the replacement of inefficient equipment.
      9. Adopting all or some elements of CalGreen Tier 1 and 2 measures to increase energy efficiency in greenhouses.

   iii. Construction of a qualified renewable energy source such as wind, solar photovoltaics, biomass, etc., as part of the project. [Note: Inclusion of a renewable energy source shall also be included in the project description and may be subject to environmental review.]

   iv. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of the project energy demand that is 20% or more above a generic commercial building of the same size.
ENG-2 Prior to issuance of building permits, the applicant shall provide to the Department of Planning and Building for review and approval, a program for reducing or offsetting project-related greenhouse gas emissions below the 1,150 MTCO\textsubscript{2}e Bright Line threshold. Such a program (or programs) may include, but is not limited to, the following:

a. Purchase of greenhouse gas offset credits from any of the following recognized and reputable voluntary carbon registries:
   
   i. American Carbon Registry;
   
   ii. Climate Action Reserve;
   
   iii. Verified Carbon Standard.

   iv. Offsets purchased from any other source are subject to verification and approval by the Department of Planning and Building.

b. Installation of battery storage to offset nighttime energy use. Batteries may only be charged during daylight hours with a renewable energy source and shall be used as the sole energy supply during non-daylight hours.

c. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of project GHG emissions below the 1,150 Bright Line Threshold.

ENG-3 At time of quarterly monitoring inspection, the applicant shall provide to the Department of Planning and Building for review, a current energy use statement from the service provider (e.g. PG&E) that documents energy use to date for the year. The applicant shall demonstrate continued compliance with ENG-1 and ENG-2 (e.g. providing a current PG&E statement or contract showing continuous enrollment in the Solar Choice program or Regional Renewable Choice program).

Geology and Soils – Wastewater

GEO-1 Prior to issuance of construction permits, the applicant shall be required to submit sufficient soil percolation and soil boring information to show how the future septic systems will comply with the Central Coast Basin Plan for potential constraints identified for the project site. Final occupancy will not be approved by the Environmental Health Department if Basin Plan criteria cannot be met.

Noise

N-1 Prior to commencing permitted activities, the applicant shall demonstrate that noise generated by project air conditioning, ventilation and odor management equipment complies with applicable County standards for nighttime noise levels at the property lines. This shall be accomplished by:

a. Locating the equipment so that the building shields the noise from the nearest property line;

b. Constructing an acoustical enclosure around the equipment;

c. Any combination of equipment location and shielding that enables the project to meet the standards.
Exhibit C – Screening Trees

[Map showing areas with screening trees to be preserved]
## Exhibit D – Electricity Demand Calculations

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Appendix A

California Department of Food and Agriculture (CDFA), CalCannabis Cultivation Licensing Division. CDFA has jurisdiction over the issuance of licenses to cultivate, propagate and process commercial cannabis in California and issues licenses to outdoor, indoor, and mixed-light cannabis cultivators, cannabis nurseries and cannabis processor facilities, where the local jurisdiction authorizes these activities. (Bus. & Prof. Code, § 26012, subd. (a)(2).) All commercial cannabis cultivation within the California requires a cultivation license from CDFA.

The project is also subject to the CDFA's regulations for cannabis cultivation pursuant to the Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), including environmental protection measures related to aesthetics, cultural resources, pesticide use and handling, use of generators, energy restrictions, lighting requirements, requirements to conduct Envirostor database searches, and water supply requirements.

State law also sets forth application requirements, site requirements and general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. These measures include (but are not limited to) the following:

Section 8102 – Annual State License Application Requirements

(p) For all cultivator license types except Processor, evidence of enrollment in an order or waiver of waste discharge requirements with the State Water Resources Control Board or the appropriate Regional Water Quality Control Board. Acceptable documentation for evidence of enrollment can be a Notice of Applicability letter. Acceptable documentation for a Processor that enrollment is not necessary can be a Notice of Non-Applicability;

(q) Evidence that the applicant has conducted a hazardous materials record search of the EnviroStor database for the proposed premises. If hazardous sites were encountered, the applicant shall provide documentation of protocols implemented to protect employee health and safety;

(s) For indoor and mixed-light license types, the application shall identify all power sources for cultivation activities, including but not limited to, illumination, heating, cooling, and ventilation;

(v) Identification of all of the following applicable water sources used for cultivation activities and the applicable supplemental information for each source pursuant to section 8107;

(w) A copy of any final lake or streambed alteration agreement issued by the California Department of Fish and Wildlife, pursuant to sections 1602 or 1617 of the Fish and Game Code, or written verification from the California Department of Fish and Wildlife that a lake and streambed alteration agreement is not required;

(dd) If applicable, the applicant shall provide evidence that the proposed premises is not located in whole or in part in a watershed or other geographic area that the State Water Resources Control Board or the Department of Fish and Wildlife has determined to be significantly adversely impacted by cannabis cultivation pursuant to section 8216.

Section 8106 – Cultivation Plan Requirements

(a) The cultivation plan for each Specialty Cottage, Specialty, Small, and Medium licenses shall include all of the following:
(3) A pest management plan.

Section 8108 -- Cannabis Waste Management Plans

Section 8216 – License Issuance in an Impacted Watershed

If the State Water Resources Control Board or the Department of Fish and Wildlife notifies the department in writing that cannabis cultivation is causing significant adverse impacts on the environment in a watershed or other geographic area pursuant to section 26069, subdivision (c)(1), of the Business and Professions Code, the department shall not issue new licenses or increase the total number of plant identifiers within that watershed or area while the moratorium is in effect.

Section 8304 – General Environmental Protection Measures

(a) Compliance with section 13149 of the Water Code as implemented by the State Water Resources Control Board, Regional Water Quality Control Boards, or California Department of Fish and Wildlife;

(b) Compliance with any conditions requested by the California Department of Fish and Wildlife or the State Water Resources Control Board under section 26060.1(b)(1) of the Business and Professions Code;

(c) All outdoor lighting used for security purposes shall be shielded and downward facing;

(d) Immediately halt cultivation activities and implement section 7050.5 of the Health and Safety Code if human remains are discovered;

(e) Requirements for generators pursuant to section 8306 of this chapter;

(f) Compliance with pesticide laws and regulations pursuant to section 8307 of this chapter;

(g) Mixed-light license types of all tiers and sizes shall ensure that lights used for cultivation are shielded from sunset to sunrise to avoid nighttime glare.

Section 8305 – Renewable Energy Requirements

Beginning January 1, 2023, all indoor, tier 2 mixed-light license types of all sizes, and nurseries using indoor or tier 2 mixed-light techniques, shall ensure that electrical power used for commercial cannabis activity meets the average electricity greenhouse gas emissions intensity required by their local utility provider pursuant to the California Renewables Portfolio Standard Program, division 1, part 1, chapter 2.3, article 16 (commencing with section 399.11) of the Public Utilities Code.

Section 8306 -- Generator Requirements

Section 8307 – Pesticide Use Requirements

(a) Licensees shall comply with all pesticide laws and regulations enforced by the Department of Pesticide Regulation.

Section 8308 – Cannabis Waste Management

Bureau of Cannabis Control

The retail sale of cannabis and/or cannabis products requires a state license from the Bureau of Cannabis Control.

The project may also be subject to other permitting requirements of the State and federal governments, as described below.
Initial Study – Environmental Checklist

State Water Resources Control Board (SWRCB). The project may require issuance of a water rights permit for the diversion of surface water or proof of enrollment in, or an exemption from, either the SWRCB or Regional Water Quality Control Board program for water quality protection.

California Department of Fish and Wildlife (CDFW)

Lake or Streambed Alternation. Pursuant to Division 2, Chapter 6, §§1600-1602 of the California Fish and Game Code, CDFW regulates all diversions, obstructions, or changes to the natural flow or bed, channel, or bank of any river, stream, or lake, which supports fish or wildlife. CDFW defines a “stream” (including creeks and rivers) as “a body of water that flows at least periodically or intermittently through a bed or channel having banks and supports fish or other aquatic life. This includes watercourses having surface or subsurface flow that supports or has supported riparian vegetation.” CDFW's definition of “lake” includes “natural lakes or man-made reservoirs.” CDFW jurisdiction within altered or artificial waterways is based upon the value of those waterways to fish and wildlife.

If CDFW determines that a project may adversely affect existing fish and wildlife resources, a Lake or Streambed Alteration Agreement (SAA) is required. A SAA lists the CDFW conditions of approval relative to the proposed project, and serves as an agreement between an applicant and CDFW for a term of not more than 5 years for the performance of activities subject to this section.

California Endangered Species Act (CESA). The CESA ensures legal protection for plants listed as rare or endangered, and wildlife species formally listed as endangered or threatened. The state also maintains a list of California Species of Special Concern (SSC). SSC status is assigned to species that have limited distribution, declining populations, diminishing habitat, or unusual scientific, recreational, or educational value. Under state law, CDFW is empowered to review projects for their potential to impact special-status species and their habitats. Under the CESA, CDFW reserves the right to request the replacement of lost habitat that is considered important to the continued existence of CESA protected species.

Federal Endangered Species Act (FESA). FESA provides legislation to protect federally listed plant and animal species. Impacts to listed species resulting from the implementation of a project would require the responsible agency or individual to formally consult with the US Fish and Wildlife Service (USFWS) to determine the extent of impact to a particular species. If the USFWS determines that impacts to a federally listed species would likely occur, alternatives and measures to avoid or reduce impacts must be identified.