Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P.O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

SCH #

Project Title: DRC2018-00188 Engrained LLC Conditional Use Permit

Lead Agency: County of San Luis Obispo | Contact Person: Eric Hughes
Mailing Address: 976 Osos Street, Room 300 | Phone: 805-781-1591
City: San Luis Obispo | Zip: 93408-2040 | County: San Luis Obispo

Project Location: County: San Luis Obispo | City/Nearest Community: community of Creston
Cross Streets: La Panza Road xs. Ryan Road | Zip Code: 93432
Longitude/Latitude (degrees, minutes and seconds): 35 ° 32 ′ 01.2 ″ N / 120 ° 29 ′ 04.5 ″ W Total Acres: 77 acres
Assessor's Parcel No.: 042-211-014 | Section: | Twp.: | Range: | Base:
Within 2 Miles: State Hwy #: 41 | Waterways: Dry Creek, Huerhuero Creek, multiple unnamed blue lines
Airports: n/a | Railways: n/a | Schools: n/a

Document Type:

CEQA: ☐ NOP ☐ Draft EIR ☐ Supplement/Subsequent EIR (Prior SCH No.) ☐ Early Cons ☐ Neg Dec ☒ Mit Neg Dec Other:
NEPA: ☐ NOI ☐ EA ☐ Draft EIS ☐ FONSI
Other: ☐ Joint Document ☐ Final Document ☐ Other:

Local Action Type:

☐ General Plan Update ☐ General Plan Amendment ☐ General Plan Element ☐ Community Plan
☐ Specific Plan ☐ Master Plan ☐ Planned Unit Development ☐ Site Plan
☐ Rezone ☐ Prezone ☒ Use Permit ☐ Land Division (Subdivision, etc.)
☐ Annexation ☐ Redevelopment ☐ Coastal Permit ☐ Other:

Development Type:

☐ Residential: Units Acres
☐ Office: Sq.ft. Acres Employees
☐ Commercial: Sq.ft. Acres Employees
☐ Industrial: Sq.ft. Acres Employees
☐ Educational:
☐ Recreational:
☐ Water Facilities: Type MGD
☐ Transportation: Type
☐ Mining: Mineral
☐ Power: Type MW
☐ Waste Treatment: Type MGD
☐ Hazardous Waste: Type
☒ Other: cannabis cultivation, nursery, manufacturing, non-storefront dispensary

Project Issues Discussed in Document:

☒ Aesthetic/Visual ☐ Agricultural Land ☒ Air Quality ☐ Archeological/Historical ☒ Biological Resources ☐ Coastal Zone ☐ Drainage/Absorption ☐ Economic/Jobs
☐ Fiscal ☐ Flood Plain/Flooding ☐ Forest Land/Fire Hazard ☒ Geologic/Seismic ☐ Minerals ☒ Noise ☐ Population/Housing Balance ☐ Public Services/Facilities
☐ Recreation/Parks ☐ Schools/Universities ☐ Septic Systems ☐ Sewer Capacity ☐ Soil Erosion/Compaction/Grading ☐ Solid Waste ☒ Toxic/Hazardous ☒ Traffic/Circulation
☒ Vegetation ☐ Water Quality ☒ Water Supply/Groundwater ☐ Wetland/Riparian ☐ Growth Inducement ☐ Land Use ☒ Cumulative Effects ☒ Other: Energy

Present Land Use/Zoning/General Plan Designation:

Agriculture

Project Description: *(please use a separate page if necessary)*

See Attachment 1.

Note: The State Clearinghouse will assign identification numbers for all new projects. If a SCH number already exists for a project (e.g. Notice of Preparation or previous draft document) please fill in.

Reviewing Agencies Checklist

Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with and "**X**".
If you have already sent your document to the agency please denote that with an "**S**".

X	Air Resources Board		Office of Historic Preservation
	Boating & Waterways, Department of		Office of Public School Construction
	California Emergency Management Agency		Parks & Recreation, Department of
	California Highway Patrol		Pesticide Regulation, Department of
	Caltrans District #		Public Utilities Commission
	Caltrans Division of Aeronautics	X	Regional WQCB # 3
	Caltrans Planning		Resources Agency
	Central Valley Flood Protection Board		Resources Recycling and Recovery, Department of
	Coachella Valley Mtns. Conservancy		S.F. Bay Conservation & Development Comm.
	Coastal Commission		San Gabriel & Lower L.A. Rivers & Mtns. Conservancy
	Colorado River Board		San Joaquin River Conservancy
	Conservation, Department of		Santa Monica Mtns. Conservancy
	Corrections, Department of		State Lands Commission
	Delta Protection Commission		SWRCB: Clean Water Grants
	Education, Department of	X	SWRCB: Water Quality
	Energy Commission		SWRCB: Water Rights
X	Fish & Game Region # 4		Tahoe Regional Planning Agency
X	Food & Agriculture, Department of	X	Toxic Substances Control, Department of
	Forestry and Fire Protection, Department of	X	Water Resources, Department of
	General Services, Department of		
	Health Services, Department of		Other:
	Housing & Community Development		Other:
X	Native American Heritage Commission		

Local Public Review Period (to be filled in by lead agency)

Starting Date March 18, 2020 Ending Date April 17, 2020

Lead Agency (Complete if applicable):

Consulting Firm: SWCA Environmental Consultants
Address: 1422 Monterey Street, B200
City/State/Zip: San Luis Obispo, CA 93405
Contact: Brandi Cummings
Phone: 805-786-2550

Applicant: Engrained LLC
Address: 5237 Diane Avenue
City/State/Zip: San Diego, CA 92117
Phone:

Signature of Lead Agency Representative: Eric Hughes Digitally signed by Eric Hughes DN: C=US, E=ehughes@co.slo.ca.us, O=San Luis Obispo County, OU=Planning and Building, CN=Eric Hughes Date: 2020.03.17 14:03:25-07'00' **Date:** 3/17/2020

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.

Attachment 1 – Notice of Completion

Project Description

A request by Engrained LLC for a Conditional Use Permit (DRC2018-00188) to establish 3 acres of outdoor cannabis cultivation, 21,840 square feet of indoor (mixed-light) cannabis cultivation, 21,840 square feet of commercial indoor (mixed-light) cannabis nursery, processing, manufacturing, and a non-storefront dispensary on a 77-acre parcel. Indoor cultivation and cannabis nursery cultivation would occur within 12 new greenhouses totaling 52,000-square feet. Processing activities (including drying and curing of cannabis grown on-site), non-volatile manufacturing activities, and cloning of nursery plants would occur within a proposed 20,000-square-foot building. Proposed non-storefront dispensary activities would occur within an existing 1,500-square-foot building on-site. The project also includes improvements of the existing property driveway, installation of four 320-square-foot seatrain containers for the storage of supplies, and installation of 12 5,500-gallon water tanks. The project would result in approximately 15.4 acres (670,383 square feet) of site disturbance on the 77-acre parcel, including 10,610 cubic yards of cut and 8,778 cubic yards of fill (net total of 19,388 cubic yards of earthwork) to be balanced on-site. The project site is located within the Agriculture land use designation at 4150 North Ryan Road, approximately 2.25 miles northeast of the community of Creston in the El Pomar-Estrella sub-area of the North County Planning Area, Supervisorial District 5.

The project property currently supports a rural single-family residence and a 1,500-square-foot accessory structure. Surrounding land uses include agricultural crop production and grazing, rural residential uses, and accessory structures.

The proposed cannabis activities would be implemented in sequential phases, as detailed in Table 1, below.

Table 1. Proposed Project Components and Phasing.

Phase	Project Components	Canopy Area/Floor Area
Phase I	Establish 3.0 acres of outdoor cannabis cultivation areas.	Within hoop structures: 1.01 acres Open air: 1.99 acres
	Install four seatrain containers, two for pesticide storage and two for fertilizer/nutrition storage.	1,280 square feet total
	Installation of two portable restrooms.	N/A
	Implement on-site access road improvements.	N/A
Phase II	Establish indoor (mixed-light) cannabis cultivation within six proposed greenhouse structures with a total floor area of 26,208 sf.	21,840 square feet of cultivation canopy
	Establish commercial indoor (mixed-light) cannabis nursery cultivation within six proposed greenhouse structures (26,208 sf.) to be used to support on-site cultivation and off-site sales.	21,840 square feet of commercial nursery canopy

	Construct new steel building to be used for processing of cannabis grown onsite, manufacturing, and nursery cloning.	Drying/curing: 13,165 square feet Trimming: 2,010 square feet Manufacturing: 2,050 square feet Nursery cloning: 2,345 square feet, with 2,100 square feet of nursery canopy Other area (restrooms, break room, etc.): 430 square feet Total area: 20,000 square feet
	Installation of new grounded power lines with connections to existing PG&E infrastructure.	N/A
	Implement off-site access road improvements.	N/A
Phase III	Retrofit existing steel building for use as a non-storefront cannabis dispensary.	1,500 square feet

While the timeframe between each of the proposed phases has not been determined, for the purposes of this document, all three phases of proposed development are evaluated herein as the whole of the project.

Outdoor Cultivation

Approximately 1.99 acres (86,680 square feet) of the proposed outdoor cannabis canopy would occur in-ground in open air within a 1.62-acre (70,400-square-foot) cultivation area, and approximately 1.01 acres (44,000 square feet) of the proposed outdoor cannabis canopy would occur in raised beds within a total of 88 cannabis hoop structures within a 2.13-acre (92,944-square-foot) cultivation area. The open-air outdoor cultivation area would be harvested once per year, around mid-October. The outdoor cultivation area within hoop structures would be harvested two to three times per year, in April, June, and August.

Indoor (Mixed-Light) Cultivation

The project includes the construction of five 4,536-square-foot greenhouses and one 3,528-square-foot greenhouse to be utilized for indoor mixed-light cannabis cultivation (total of 26,208 square feet of cultivation area). The plants would be located on moveable benches and would include a total canopy area of 21,840 square feet. Additional area would be provided within the greenhouses for walkways and worker clearance, totaling 756 square feet in each 4,536-square-foot greenhouse and 588 square feet in the proposed 3,528-square-foot greenhouse. The canopy within these greenhouses would be harvested four times per year, in March, June, August, and November. Each greenhouse would be equipped with a heater unit, gable fans, horizontal air flow (HAF) fans, louvers, wall fans, cooling systems, odor control system, 1,000-watt grow lights, and internal blackout material systems.

Indoor (Mixed-Light) Nursery

The project includes the construction of five 4,536-square-foot greenhouses and one 3,528-square-foot greenhouse to be utilized for indoor mixed-light cannabis nursery cultivation to be used to support on-site cultivation activities as well as be sold off-site. The plants would be located on moveable benches and would include a total canopy area of 21,840 square feet. Additional area would be provided within the greenhouses

for walkways and worker clearance, totaling 756 square feet in each 4,536-square-foot greenhouse and 588 square feet in the proposed 3,528-square-foot greenhouse. Plants within the nursery greenhouses would remain in their vegetative stage until they are either transferred to a different cultivation area on-site following a harvest or transported off-site. These plants would occasionally be pruned, in which clippings would be transferred to the nursery cloning room of the proposed 20,000-square-foot processing and manufacturing building on-site. Each nursery greenhouse would be equipped with a heater unit, gable fans, horizontal air flow (HAF) fans, louvers, wall fans, cooling systems, odor control system, 432-watt grow lights, and internal blackout material systems.

Processing and Manufacturing

The proposed 20,000-square-foot building would include a 13,165-square-foot area for drying and curing of cannabis products, a 2,010-square-foot area for trimming of cannabis products, and a 2,050-square-foot area for manufacturing of cannabis products. All cannabis products processed and manufactured within this building would be from cannabis grown on-site. Proposed trimming activities would include use of a Mother Bucker Trimming Machine. Proposed manufacturing activities include closed-loop extraction through the use of an ethanol (C_2H_6O) extraction machine. Once cannabis products grown onsite are processed and/or manufactured, they would be transported off-site for testing, distribution, and sale. The building would also include two American Disability Act (ADA) compliant permanent restrooms, a breakroom, and a nursery cloning room, described below.

Nursery Cloning

The project includes a 2,345-square-foot area within the proposed 20,000-square-foot building to be utilized for a nursery cloning room, with 2,100 square feet of additional cannabis nursery canopy. Pruned branches of nursery plants grown on-site would be planted into individual rooting cubes and then placed within rooting trays, with approximately 50 cuttings per tray. These trays would then be placed beneath grow lights and watered for approximately a two-week time period until the roots protrude through the bottom of the rooting cubes. The plants would then be transplanted into larger pots and transferred to the cannabis nursery greenhouses on-site.

Non-storefront Dispensary

The project includes retrofitting an existing 1,500-square-foot building on-site to be used as a non-storefront dispensary. The dispensary would receive orders over the phone and online and would make up to four delivery runs per day. The non-storefront dispensary would include a secure storage area where cannabis products grown, processed, and manufactured on-site would be stored prior to delivery. One delivery vehicle would be utilized and would be kept onsite during non-delivery hours. Deliveries would be made to cities and counties within the State of California in which cannabis product deliveries are not prohibited.

Security

The project parcel is accessed from North Ryan Road, a public County-maintained road that terminates at the project site. The project includes installation of two new entry gates. An existing 3-strand wire fence runs along the property boundaries and additional 6-foot chain link fence with security slats would be installed to enclose each outdoor cannabis cultivation area. Security cameras would be installed at all outdoor cultivation area access points, along with locations providing an overall view of each cannabis cultivation area. Each of the proposed greenhouses for indoor cultivation and nursery would be equipped with locking doors and exterior security cameras. A 110-square-foot security room would also be included within the proposed processing and manufacturing building. The project does not include any new exterior lighting.

Odor Management

Each of the proposed outdoor cultivation areas would be located a minimum of 300 feet from all property lines. The project includes installation of a Fogco odor suppression system around the perimeter of each outdoor cultivation area. This odor system utilizes a proprietary odor control blend that is added to the water supply system and then pressurized, creating a fine fog. The system would release the high-pressure fog through a tubing system that would dampen cannabis odors by instigating a number of chemical reactions and neutralizing odor particles. These systems would operate 24 hours a day 7 days a week during the flowering period(s) of each outdoor cultivation area (i.e., one month per year for the open air cultivation area and three months per year for the hoop structure cultivation area).

Each of the six proposed greenhouses for indoor cannabis cultivation would be equipped with a Fogco high-pressure fog system, in addition to ventilation fans in order to treat cannabis odors as they exit the structures and prevent adverse odors from being detected offsite. The Fogco systems in each of these greenhouses would operate continuously for approximately four months each year, coinciding with the four flowering and harvest periods proposed for indoor cultivation areas within these structures.

The proposed 20,000-square-foot building would also be equipped with a Fogco high-pressure fog system, in addition to ventilation fans in order to treat cannabis odors as they exit the structure and prevent adverse odors from being detected offsite. The Fogco system of the 20,000-square-foot building would operate continuously for approximately four months each year, coinciding with the four flowering and harvest periods proposed for indoor cultivation areas on-site.

Water Management

Based on the Water Demand Analysis prepared for the project, project cultivation irrigation activities would result in approximately 7.80 acre-feet of water demand per year. The proposed FogCo odor control systems would result in the additional water demand of 288 gallons per month while it is in operation, or approximately 3,168 gallons per year (two systems running four months per year and one system running three months per year). Domestic water use for 15 full-time employees has been estimated to result in an additional 0.16 acre-foot per year. The project also includes planting of 11 new blue oak trees around the perimeter of the property and landscaping plantings around the proposed processing and manufacturing building, which would require marginal additional water supplies to establish until they reach maturity. The project water demand would be served by two existing groundwater wells, as well as a proposed well within the project property. A total of 12 5,500-gallon water tanks would be installed on the property for seasonal storage of irrigation water, and an additional 60,000-gallon water tank and new fire hydrant and pump would be installed on the property for fire suppression purposes.

Waste Management

All cannabis plant waste and soil would be composted onsite within a fenced compost area located between the two outdoor cultivation areas. Domestic solid waste would be collected in a garbage receptacle located next to the designated parking area which would be transported offsite to be emptied into a landfill once a week.

Two portable restrooms would be installed and utilized on-site during Phase 1 of the project and would be serviced regularly. A permanent restroom facility and shower would be included within the proposed processing and manufacturing building when constructed, which would require the installation of a new on-site septic system. Employees working within the proposed non-storefront dispensary would utilize the existing permanent restroom facilities located in the adjacent existing residence.

Operations

Upon completion of all three project phases, the project would employ up to 15 full-time employees (FTE)

and up to 7 seasonal employees to assist with harvesting activities. The project would operate 5 days a week between the hours of 7:00 a.m. and 4:00 p.m., with the non-storefront dispensary operating between the hours of 8:00 a.m. and 5:00 p.m.