Negative Declaration & Notice Of Intent

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

ENVIRONMENTAL DETERMINATION Number: ED Number 21-111 **DATE:** December 22, 2021

PROJECT/ENTITLEMENT: Minor Use Permit DRC2019-00061 High Farms, LLC

APPLICANT NAME: High Farms, LLC
Email: worldphilos@gmail.com
ADDRESS: 135 Magnolia Ave. Oxnard, CA 93033
CONTACT PERSON: Mandi Pickens **/** 805-459-5334

PROPOSED USES/INTENT: A request by High Farms LLC for a Minor Use Permit (DRC2019-00061) for up to two acres of outdoor cannabis cultivation canopy within hoop houses, an ancillary nursery, ancillary processing activities (i.e. drying and storing), ancillary transport, and other related site improvements for parking and access. The project would result in approximately 2.3 acres of site disturbance, including 104 cubic yards of cut and 91 cubic yards of fill. A modification from the County setback standards is requested to reduce the required 300-foot setback from the property lines to 200 feet on the eastern property line and 20 feet on the western property line. A modification from County parking standards is also requested to allow six parking spaces where 45 spaces are required. The project site is in the Agriculture land use category.

LOCATION: The project site is located at located at 2450 Huasna Road, approximately one-mile northeast of the City of Arroyo Grande in the San Luis Bay Inland Subarea South (San Luis Bay Planning Impact Area B) of the South County Planning Area.

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: California Department of Fish and Wildlife, California Department of Food and Agriculture , California Department of Forestry (Calfire), 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

State Clearinghouse No. _____

This is to advise that the San Luis Obispo County Planning Department Hearing Officer as ☒ *Lead Agency* ☐ *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.

Signature	Project Manager Name	Date	Public Agency
	Eric Hughes	12/20/2021	County of San Luis Obispo

COUNTY OF SAN LUIS OBISPO
DEPARTMENT OF PLANNING & BUILDING

Initial Study – Environmental Checklist

PLN-2039
12/2019

Project Title & Number. High Farms, LLC Minor Use Permit ED21-111 (DRC2019-00061)

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.

☐ Aesthetics	☒ Greenhouse Gas Emissions	☐ Public Services
☐ Agriculture & Forestry Resources	☒ Hazards & Hazardous Materials	☐ Recreation
☐ Air Quality	☐ Hydrology & Water Quality	☐ Transportation
☒ Biological Resources	☐ Land Use & Planning	☐ Tribal Cultural Resources
☐ Cultural Resources	☐ Mineral Resources	☐ Utilities & Service Systems
☒ Energy	☐ Noise	☒ Wildfire
☐ Geology & Soils	☐ Population & Housing	☒ Mandatory Findings of Significance

DETERMINATION:

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.

Steve Conner, AICP			
Prepared by (Print)	Signature		Date
Eric Hughes		(for) Steve McMasters, Principal Environmental Specialist	
Reviewed by (Print)	Signature		Date

Initial Study – Environmental Checklist

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: A request by High Farms LLC for a Minor Use Permit (DRC2019-00061) for up to two (2) acres of outdoor cannabis cultivation in hoop houses; up to 21,780 square feet of ancillary nursery with mixed lighting in two (2) greenhouses; and ancillary activities such as processing of cannabis plants (storage and drying) in three (3) new metal cargo containers and transport of product to licensed offsite facilities. Project development would consist of the retrofit and use of an existing 10,150 square foot indoor nursery/greenhouse building and construction of a 11,630 square foot nursery/greenhouse; installation of one new 5,000 square foot water storage tank to supplement the existing 5,000 square foot tank; and one 120 square foot security shed. A modification from the setback standards set forth in Section 22.40.050.D.3.b. of the County Land Use Ordinance (LUO) is requested to reduce the required setback from 300 feet to approximately 200 feet from the eastern property line and 20 feet from the western property line. In addition, a modification from County parking standards is requested to allow a total of six parking spaces where 45 spaces are required. The project would employ up to five (5) workers. The project would result in approximately 2.3 acres of site disturbance, including 104 cubic yards (cy) of cut and 91 cy of fill on a 21.62-acre property located at 2450 Huasna Road, approximately one-mile northeast of the City of Arroyo Grande. The project site is located within the Agricultural land use category and within the San Luis Bay Inland Sub Area South (San Luis Bay Planning Impact Area B) of the South County Planning Area.

The proposed cultivation area is located in a portion of the site that has been previously farmed with irrigated row crops. The proposed greenhouse would be constructed south of, and adjacent to, the existing greenhouse on the northeast corner of the site.

Use	Parking Standard	Floor Area	Parking Requirement
Nursery Specialty	1:500	21,780	44
Agricultural Processing	1:1,000	480	1
		Total Required Spaces	**45**

shows a regional map and Figure 2. Project Site Aerial shows an aerial image of the project site. Table 1 summarizes the project components and Figure 3, Figure 4, and Figure 5 depict the site plan and structure elevations. Cannabis would be planted within a 2-acre outdoor cultivation area. Access to the site would be via Huasna Road and an existing agricultural road crossing APN 047-271-019 through an existing easement lying on the northerly boundary of the project site created by Lot Line Adjustment S920002L (Certificates of Compliance CC.94-064246 and CC.94-064247) to the subject site on a north/south to east/west-aligned driveway. Access improvements would include widening the existing access road to 16 feet, installation of a hammerhead turnaround for Cal FIRE/emergency services access and installation of an access gate on the existing agricultural road that will pass through the northern security fence line. Project development would require improvement of the access road driveway apron and driveway road to County standards of 16 feet wide. Earthwork would require approximately 104 cubic yards of cut and 91 cubic yards of fill, with a net export of 14 cubic yards hauled offsite. The project would employ up to five (5) workers, with up to twelve (12) workers for up to three days during harvesting. The project would operate year-round from 5 AM. to 12:00 PM.

The cannabis project area would be enclosed within an eight-foot-tall chain fence with slats with an 18-foot-wide access gate at the central access road that passes through the northern security fence line. Approximately 23 motion-detecting security cameras and video recorders will be installed at the access gate, fence corners, and inside/outside of structure entrances. Motion-sensing downcast security lighting will be installed on 10-foot posts along the perimeter of the security fence line and mounted on walls above structure entrances. No signage is proposed. A 120-square foot shed building will be constructed to house security recording equipment. The nurseries will have tarps installed to prevent nighttime light from the proposed artificial mixed lighting from shining offsite.

The project would be served by an existing water pump and well that has served the property for the existing residence and agricultural operations. The well is located south of the proposed cultivation area and adjacent to the on-site residence. One existing 5,000-gallon tank will be used for fertigation and one new 5,000-gallon water tank will be installed adjacent to the existing tank. The new water tank will be available for fire suppression. The estimated annual water usage for the proposed operation would be approximately 3.88-acre-feet per year (AFY). The project would provide an on-site portable restroom for employees. The expected fully operational energy usage for the proposed operation would be up to 4,138,200 kilowatt-hours (kWh) per year.

Six (6) 9-foot by 18-foot parking spaces and one accessible space will be provided along the easterly property line near the existing nursery and adjacent to the proposed hammerhead turnaround. All organic waste storage would either be shredded and tilled back into the soil or stored in a compost pile (870 square feet) within the fenced area. A 300 square foot solid waste area with containers is proposed adjacent to the existing nursery. Trash service would be provided by a local waste management company.

Initial Study – Environmental Checklist

Table 1 Project Components

Cannabis Activities/Uses	Count	Size	Footprint (sf)	Canopy (sf)
(N) Outdoor Cultivation	1	**2 acres**	88,800	87,120
(N) Ancillary Processing – Cargo Containers	3	20' x 8'	480	N/A
(E) Ancillary Nursery - Greenhouse	1	70' x 145'	10,150	10,150
(N) Ancillary Nursery - Greenhouse	1	70' x 166'	11,630	11,630
(N) Water Storage Tank	1	5,000 gallons	N/A	N/A
(N) Security Shed	1	10' x 12'	120	N/A
(N) Compost Area	1		870	N/A
(N) Waste Area	1		300	N/A
Sub-Total of Cannabis Activities/Uses			**112,350**	**108,900**

(E) = existing
(N) = new
(sf) = square feet

Details regarding proposed operations and routine maintenance are provided in the Operations Plan, which is incorporated by reference, attached in Exhibit A, and available for review at the Department of Planning and Building, 970 Osos Street, Suite 200, San Luis Obispo.

Baseline Conditions:

Existing development on the site includes a 2,638 square foot single-family home, 1,440 square foot agricultural barn, 6.36 acres of irrigated row and field crops, 17,600 square feet of hoop houses/nursery, agricultural and residential wells, and a 5,000 square foot water tank. The existing non-nursery structures and crops outside of the proposed 2-acre outdoor cultivation area would remain and not be a part of the cannabis operations, except for the use of the water tank and existing wells.

The project is in the 100-year flood hazard zone and a portion of the southwestern part of the proposed outdoor cultivation is within the Lopez Lake Dam inundation area.

The Biological Resources Assessment (BRA) prepared by PAX Environmental (PAX), dated November 2019, reported that the survey area within the subject parcel is primarily composed of vacant fruit and vegetable row crop area and bounded by Tar Spring Creek to the south (PAX, 2019). Beyond Tar Spring Creek is undeveloped open space on very steep foothills dominated by oak woodland. The intermittent stream, Tar Spring Creek, often contains flowing water for extended periods, and isolated ponds when not flowing. Tar Spring Creek flows from east to west along the south of the proposed cultivation area. The stream has steep banks with widths ranging from 12 to 20 feet and a height of 10 to 15 feet. Substrate within Tar Spring Creek on the subject parcel consists of exposed bedrock, sand, gravel, cobble and boulder. Tar Spring Creek is classified by the USGS as a blue-line stream with potential for historic habitation (County of San Luis Obispo Online Land Use Viewer).

The project site has a history of fruit and vegetable farming dating back to at least 1994, as determined from aerial imagery in the site studies. Vegetation is representative of long-standing agricultural use including salad greens, beets, cabbage, snow peas, green beans, flowers, squash, and strawberries.

Developed areas in the study area consist of graded roads, bare ground (1.16 acres), accessory structures, barn, and row and field crops (8.36 acres). Surrounding land uses include similar agricultural operations with rural housing to the north, and agricultural fields to the east and west, and Tar Spring Creek and open space hillsides with 1.98 acres of Coast Live Oak/Poison Oak Riparian area to the south.

The Phase I Archaeology report prepared by Central Coast Archeological Consultants (CCARC) indicates the site has high potential for cultural resources due to the property's location near Tar Spring Creek and a nearby previously documented site (Azevedo, 2020). Further review of the records indicates this identified site to be more than 100 meters to the north of the project area and no on-site resources were observed as discussed further in the cultural resources section.

Ordinance Modifications:

Setbacks. The project includes a request for modification from the setback provisions set forth in Section 22.40.050.D.3.b of the San Luis Obispo County Land Use Ordinance (LUO), which establishes a minimum 300-foot setback from the property line for outdoor cultivation. The outdoor cultivation area does not meet the 300-foot required setbacks to the east or west property lines. As described in Sections 22.40.050.D.3.e and 22.40.050.E.7, the setback may be modified with through a Minor Use Permit if specific conditions of the site and/or vicinity make the required setback unnecessary or ineffective; and if the modification of the setback will not allow nuisance odor emissions from being detected offsite. The project meets the 300-foot setback between the outdoor cultivation and the property line to the north. The requested modification is for reduced setbacks from 300 feet to approximately 270 feet from the eastern property line and 32 feet from the western property line. The applicant has provided the following rationale to support the request:

- The eastern and western property setbacks are unnecessary because the applicant will obtain leases on the associated parcels (APN 047-271-031 and APN 047-271-003). Nuisance odors would not be an issue.

The project site is one of three contiguous parcels (Figure 2). The applicant has obtained signed agreements from the adjoining properties to the east and west [2300 Huasna Road/APN 047-271-003 (Bolla) and 2496 Huasna Road/APN 047-271-032(Ojeda), respectively] supporting the proposed cannabis operations and agreeing to lease these properties as a means of providing separation from surrounding properties that meets or exceeds the required 300-foot setback. The eastern parcel is currently engaged in cattle grazing, and the western parcel is leased and farmed by the same operator that grows row crop vegetables on the project site. Proposed cannabis activities would only be conducted on APN 047-271-031/2450 Huasna Road and not on the adjacent eastern and western parcels. In addition, the applicant has obtained letters of support from property owners to the north at 2300, 2324, and 2368 Huasna Road.

Parking. The project includes a request for modification from the parking provisions set forth in Section 22.18.050.B of the San Luis Obispo County Land Use Ordinance (LUO). Indoor cannabis cultivation is considered a Nursery Specialties land use which requires one (1) parking space per 500 square feet of nursery area and one (1) parking space per 1,000 square feet of agricultural processing. Therefore, the parking requirement for the proposed uses is 45 paces, as shown in Table 1 Parking Requirement. The applicant is proposing six parking spaces, including one accessible space adjacent to the nursery area. As outlined in the project descripted provided by the applicant, there are typically only 5 workers at most on the project site at any time, excluding harvesting. During harvesting, the applicant indicates that there could be as many as 12 workers, and that these workers will either carpool or park near the barn. Therefore, six spaces are proposed as sufficient to meet the parking demands of the project.

Table 2 Parking Requirement

Use	Parking Standard	Floor Area	Parking Requirement
Nursery Specialty	1:500	21,780	44
Agricultural Processing	1:1,000	480	1
		Total Required Spaces	**45**

Initial Study – Environmental Checklist

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Project Location

N

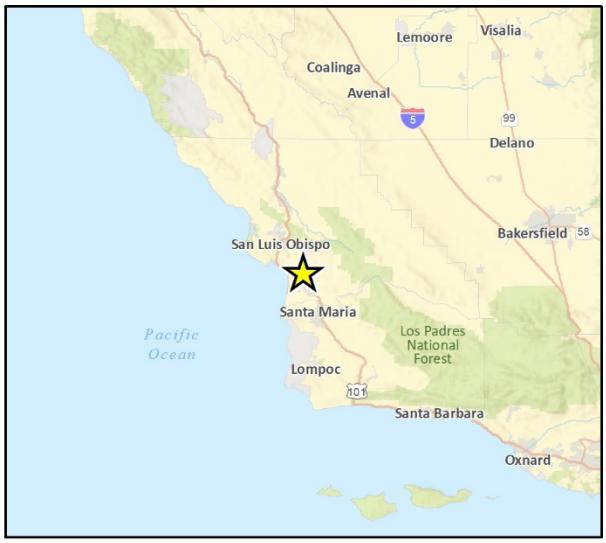


Figure 1 Regional Location

Initial Study – Environmental Checklist

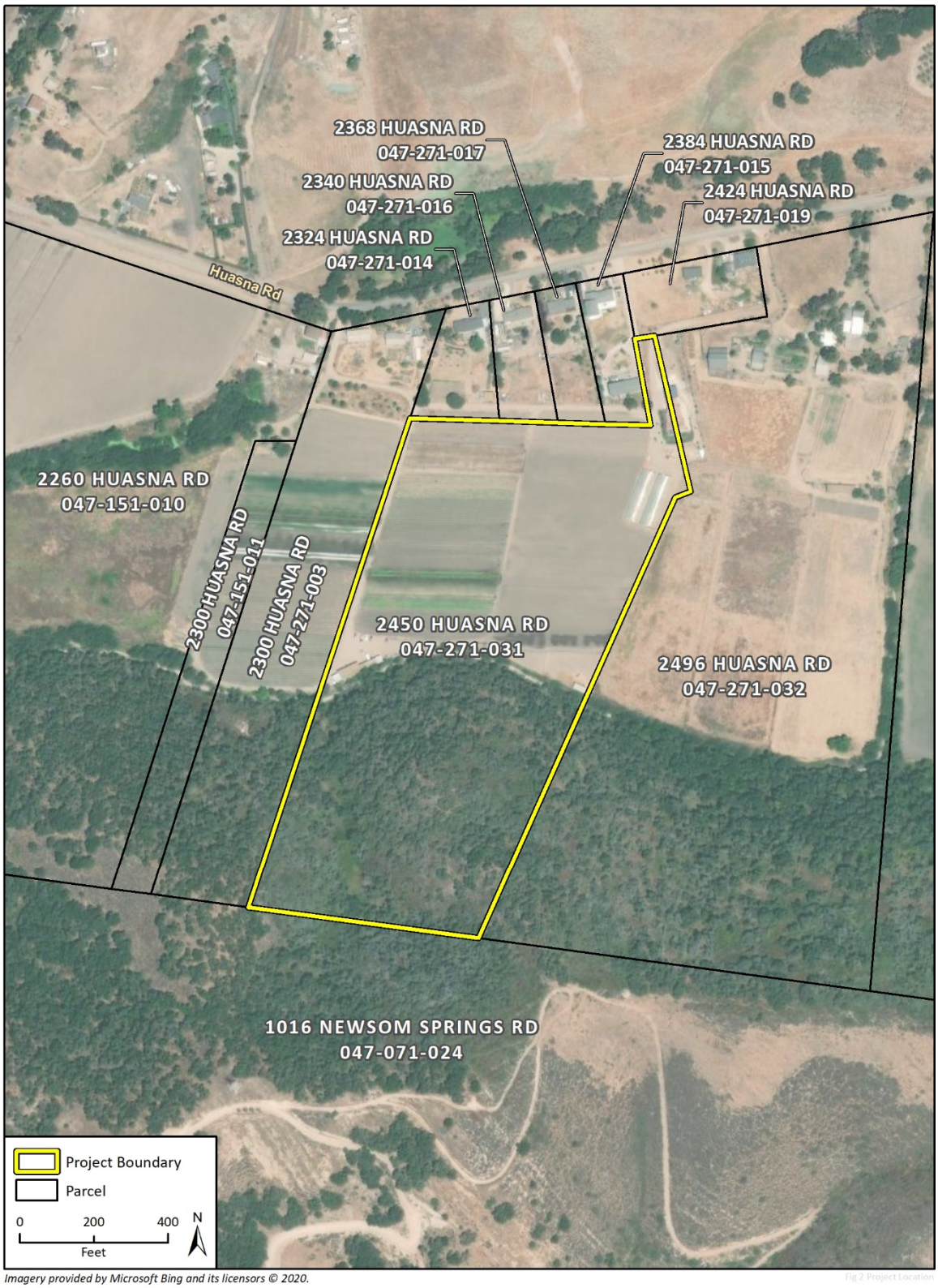


Figure 2 Project Site Aerial

Figure 3 Site Plan and Construction Notes

STATISTICS:

PROJECT SITE AREA: ± 49.2 AC (APPROXIMATE)

APN: 047-271-031 (BAUTISTA PROPERTY - LEASED BY APPLICANT)
APN: 047-271-003 (BOLLA PROPERTY - LEASED BY APPLICANT)
APN: 047-271-032 (OJEDA PRPOERTY - LEASED BY APPLICANT)

SETBACKS: 300' + ALL PROPERTY LINES

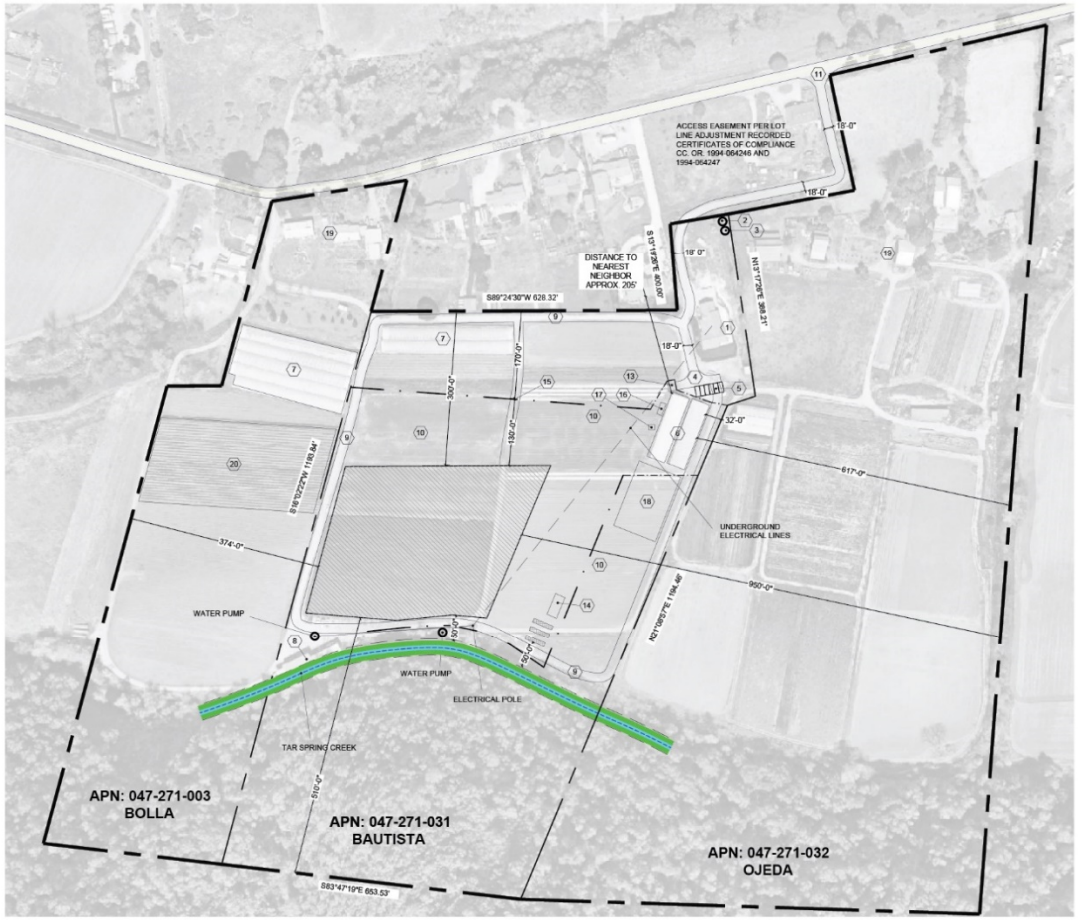
LAND USE: AG

LEGEND AND KEYNOTES

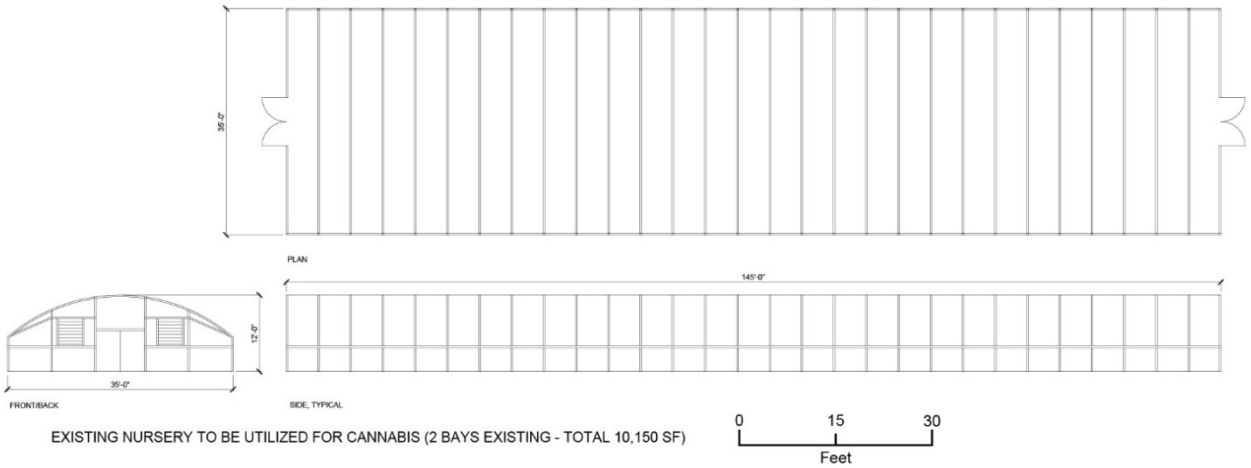
PROPOSED 2 ACRES OUTDOOR CANNABIS CULTIVATION AREA

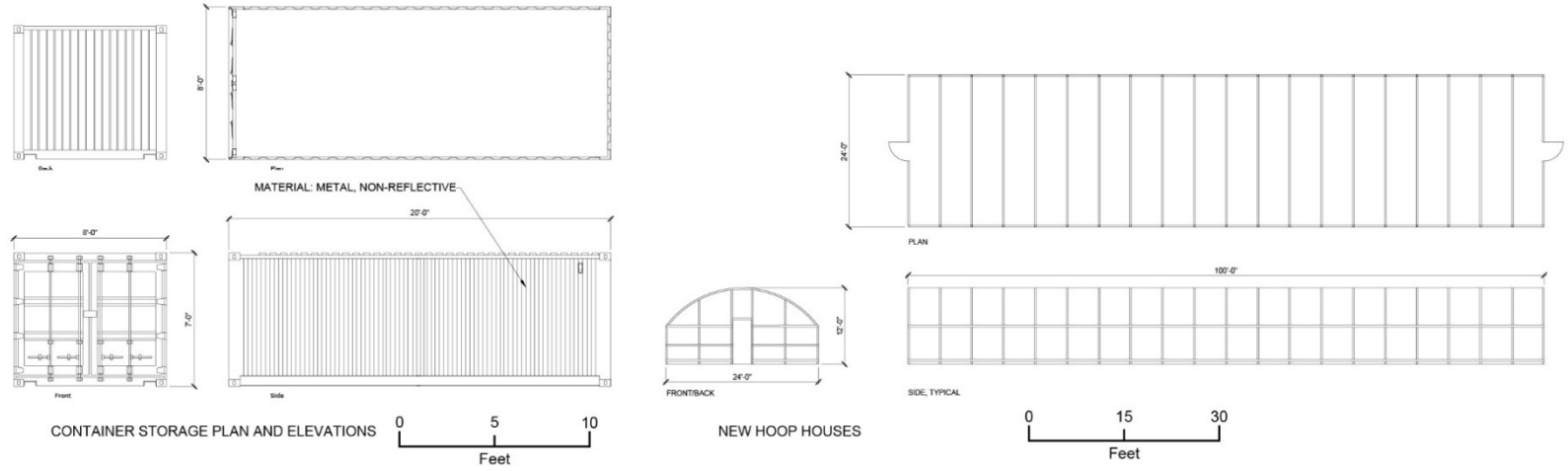
PROPOSED 8'W X 20'L X 7'H DRYING CONTAINERS TOTAL: 3

1. EXISTING RESIDENTIAL DWELLING UNIT (NOT USED FOR ANY CANNABIS RELATED ACTIVITIES)
2. EXISTING 5000 GAL. WATER TANK AND PUMP, EXISTING IRRIGATION SUPPLY
3. PROPOSED 5000 GAL. WATER TANK PER CAL FIRE
4. PROPOSED CAL FIRE APPROVED FIRE TRUCK HAMMER "T" TURNAROUND DRIVEWAY
5. PROPOSED WORKERS PARKING AREA. TOTAL: 6 SPACES INCLUDES 1 ADA SPACE
6. EXISTING INDOOR NURSERIES (TO BE USED AS AN ANCILLARY NURSERIES, APPROX. 10,150 S.F.)
7. EXISTING HOOP STRUCTURE NURSERY (NOT USED FOR ANY CANNABIS RELATED ACTIVITIES)
8. EXISTING STORAGE SHED (NOT USED FOR ANY CANNABIS RELATED ACTIVITIES)
9. EXISTING FARM 18' ACCESS ROAD REFER TO SEPARATE GRADING PLAN BY OTHERS FOR REQUIRED DRIVEWAY AND ACCESS IMPROVEMENTS
10. EXISTING ROTATIONAL CROPS A.K.A. "BAUTISTA FARMS"
11. EXISTING RESIDENTIAL AND FARM ACCESS ROAD REFER TO SEPARATE GRADING PLAN BY OTHERS FOR REQUIRED DRIVEWAY AND ACCESS IMPROVEMENTS
12. TAR SPRING CREEK - REFERENCE BIOLOGICAL ASSESSMENT (FIGURE 6)
    FRESHWATER FOREST/SHRUB WETLAND
    RIVERINE
13. SOLID WASTE (300 S.F.)
14. COMPOST (870 S.F.)
15. MAIN GATE TO CULTIVATION - 18' WIDE
16. PORTABLE RESTROOM AREA
17. 120 SF. SHED - SECURE DVR ROOM
18. NEW ANCILLARY NURSERY STRUCTURE (11,630 S.F.)
19. EXISTING RESIDENCES (NOT A PART)
20. EXISTING ROTATIONAL CROPS (BOLLA PROPERTY)



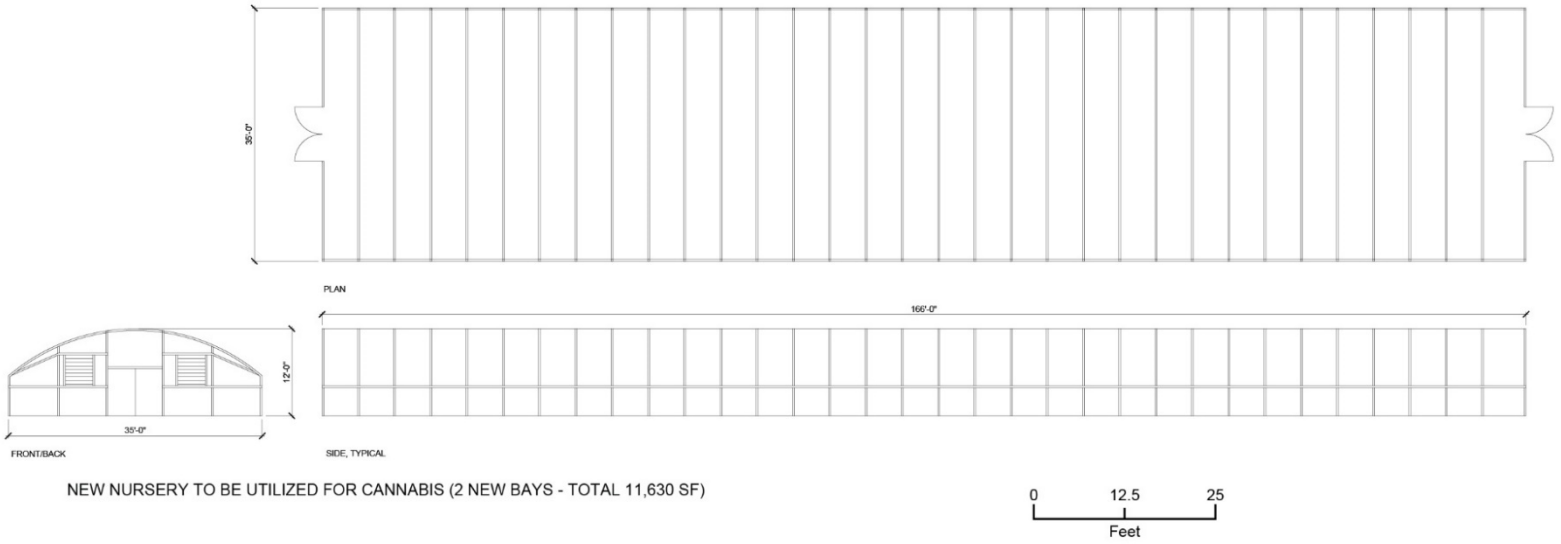
Source: Angle Land Use Entitlement, 2020.





Source: Angle Land Use Entitlement, 2020.

Figure 4 Storage Container, Hoop House, and Existing Greenhouse Elevations



Source: Angle Land Use Entitlement, 2020.

Figure 5 Proposed Greenhouse Elevation

Initial Study – Environmental Checklist

ASSESSOR PARCEL NUMBER(S): 047-271-031

Latitude: 35° 7.87931 **Longitude:** 120° 32.15021 **SUPERVISORIAL DISTRICT** 4

Other Public Agencies Whose Approval is Required

Permit Type/Action	Agency
Cultivation Licenses	California Department of Food and Agriculture – CalCannabis Cultivation Licensing Division
Central Coast Regional Water Quality Control Board. Order WQ 2017-0023-DWQ – General Waste Discharge Requirements and Waiver of Waste Discharge Requirements for Discharges of Waste Associated with Cannabis Cultivation Activities	Regional Water Quality Control Board (RWQCB)
Safety Plan Approval and Final Inspection	California Department of Forestry (CalFire)
Small Irrigation Use Registration and Coverage under the Cannabis Cultivation General Order	California State water Resources Control Board (SWRCB)

A complete discussion of potentially applicable regulations is provided in Appendix A.

B. Existing Setting

Plan Area: South County **Sub:** San Luis Bay Inland Sub Area South **Comm:** Arroyo Grande

Land Use Category: Agriculture

Combining Designation: Flood Hazard Area (FH) - 100 Year

Parcel Size: 21.62 acres

Topography: Nearly level, creek dissects across the parcel east to west, and hills on the south

Vegetation: Herbaceous; Agriculture; Riparian Creek Area and Coastal Live Oak/Poison Oak on the south

Existing Uses: Agricultural uses; Single-family residence; Nursery Greenhouse; Barn; Accessory structures

Surrounding Land Use Categories and Uses:

North: Agriculture, Single-family ***East:*** Agriculture, Cattle grazing

South: Creek and Open Space Hillsides ***West:*** Agriculture

C. Environmental Analysis

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

Initial Study – Environmental Checklist

I. AESTHETICS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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 south of Huasna Road between existing homes with agricultural operations and rolling hills of oak woodland in the background. The area is predominantly rural and agricultural with scattered rural residences. The site and surrounding properties are currently utilized for agricultural activities such as vegetable and fruit crops and cattle grazing. The topography of the area ranges from relatively flat fields to rolling hills. The proposed cannabis site is relatively flat, and the southern portion of the property is undeveloped hillside to the south of Tar Spring Creek. There are multiple storage sheds between the northern edge of Tar Spring Creek and the proposed cannabis cultivation site, and a single-family residence, a barn, 5,000-gallon water tank, hoop houses, and multiple small agricultural accessory structures located on the northern portion of the site. Photos 1 and 2 show views from Huasna Road and the project site.

Initial Study – Environmental Checklist

Photo 1. Looking south toward site from Huasna Road (Google Street View Dec, 2011).

Photo 2. Looking southwest toward existing greenhouse and proposed outdoor cultivation from west side of on-site residence.

Per the County Conservation and Open Space Element, the project site is not located in a designated scenic vista containing protected scenic resources (County of San Luis Obispo 2010). The southern portion of the property (south of Tar Spring Creek) is comprised of open space with oak woodland. Table VR-2 of the Conservation and Open Space Element provides a list of Suggested Scenic Corridors. Huasna Road is not on the list of Suggested Scenic Corridors, nor is it a State Designated or State Eligible Scenic Highway (California Department of Transportation [Caltrans], 2019).

The project would include the installation of security fencing around the proposed cultivation area. Section 22.40.050 of the County Land Use Ordinance (LUO) establishes regulations to minimize the visual impact of screening and fencing upon the surrounding terrain. Cannabis plant shall not be easily visible from offsite, and all cannabis cultivation activities shall occur within a secure fence at least six (6) feet in height. Fencing shall be constructed of solid and durable materials (such as wood, masonry, or chain-link with security slats). All fencing and/or walls shall be made from material that blends into the surrounding terrain and shall minimize any visual impacts.

Existing sources of lighting in the vicinity of the project site include lighting from single-family homes and vehicles, and existing agricultural operations. State law 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. In addition, Sections 22.10.060 and 22.40.050.D. of the LUO establish regulations to minimize visual effects of interior and exterior lighting upon nighttime views in the area.

Discussion

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

The project site is not located in a designated scenic vista and no impact would occur.

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

The project site is not visible from a designated State Scenic Highway, and it does not contain any scenic resources such as rock outcroppings, or historic buildings. No alterations are proposed to the existing oak tree woodland, located onsite south of Tar Spring Creek. Implementation of the project would not result in damage to scenic resources visible from a designated state scenic highway. No impact would occur.

(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?*

The project site is in a semi-rural area with predominantly agricultural uses. The subject property does not share a boundary with Huasna Road and several adjacent properties with residences are located between the site and road. Viewpoints of the site from Huasna Road are limited due to the existing visual barrier of the adjacent residences and associated landscaping. The project would involve fencing and converting an existing 2 acres of vegetable and fruit row crop area to outdoor cannabis cultivation in hoop houses, conversion of an existing vegetable and fruit greenhouse to a cannabis nursery, construction of an additional 11,630 sq.ft. greenhouse for indoor cannabis nursery, installation of a 120 sq.ft. shed to house security equipment, installation of three storage containers for drying cannabis product, installation of a 5,000-gallon water tank and the installation of site access road improvements.

In compliance with LUO Section 22.40.050.D.6., cannabis plants associated with cultivation would not be easily visible from offsite. The project site would be enclosed within an 8-foot tall secure, slatted chain link fence to preclude visibility. The fencing would be located at a minimum of 500 feet away and downhill from the limited viewpoints along Huasna Road. The site contains existing greenhouse, storage buildings, a water tank, and hoop houses. The proposed project components would be compatible with existing on-site and adjacent uses and surrounding visual character (agricultural and rural residential uses). Therefore, the project would not substantially degrade the existing visual character or quality of public views of the site and its surroundings. Impacts would be less than significant.

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

Existing sources of light in the project vicinity include exterior lighting on the on-site and nearby residences and agricultural buildings. However, nighttime lighting in the area is minimal. The project would introduce new sources of light and glare, including exterior security lighting and artificial mixed "grow" lighting within the existing and proposed nursery greenhouse buildings. In compliance with LUO Section 22.40.050.D.11., the interior mixed lighting design will incorporate shielding that precludes all light from escaping at nighttime. Motion-activated exterior security lighting would be spaced every 100 feet along the fence-lines and mounted on poles at 10 feet above ground. The security lighting would be consistent with California Code of Regulations Section 8304(c) and (g), which require that outdoor security lighting be shielded and downward facing to minimize light pollution. In compliance with LUO Section 22.40.050.D.10., the security lighting would be motion-activated and directed downward to the interior of the site to preclude visibility from off-site. The project will be subject to project conditions of approval which require security and indoor lighting to be compliant with the LUO. Impacts from interior lighting and exterior security lighting would be less than significant. See also the discussion of potential impacts to wildlife from new sources of light provided in Section IV. Biological Resources.

Conclusion

No significant aesthetic impacts are anticipated, and no mitigation measures are necessary.

Sources

See Exhibit A.

II. AGRICULTURE AND FORESTRY RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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 in a predominantly rural and agricultural area. Activities occurring on the property have included fruit and vegetable row crop production, fruit and vegetable nursery operations, and ancillary agricultural activities. Areas outside the fenced cannabis cultivation area would continue to be used for the production of irrigated row crops. The adjacent parcels include fruit and vegetable row crops (under the

same on-site operator) and cattle grazing. The applicant proposes to lease the adjacent parcels to the east and west to minimize potential compatibility issues to surrounding agricultural operations associated with pesticide drift that could affect the cannabis crop.

Project Elements. The following area-specific elements relate to the property's importance for agricultural production:

Land Use Category: Agriculture

State Classification: Prime Farmland

Historic/Existing Commercial Crops: Fruits and Vegetables; cattle grazing.

In Agricultural Preserve? Yes, Arroyo Grande Valley Agricultural Preserve

Under Williamson Act contract? No

The developed and undeveloped portions of the proposed project site are relatively flat (less than 10%).

Table SL-2 of the Conservation/Open Space Element lists the important agricultural soils of San Luis Obispo County. Table 3 identifies soils on the project site cultivation area, their farmland classifications, and total acreages impacted by the project.

Table 3 Classifications and Acreages of Soils Impacted by the Project

Soil	Farmland Classifications		Acres Impacted by the Project
	Conservation/Open Space Element	Farmland Mapping and Monitoring Program	
Mocho Loam	Prime Farmland if Irrigated	Prime Farmland if Irrigated	2.3 acres

Sources: PAX Environmental Biological Resources Assessment Report (PAX, 2019); NRCS Web Soil Survey 2020; Classifications based on Table SL-2 of the County General Plan's Conservation/Open Space Element; California Department of Conservation Farmland Mapping and Monitoring Program (FMMP) 2016.

Based on the California Department of Conservation Farmland Mapping and Monitoring Program (FMMP), the project site is mapped as Prime Farmland (if irrigated). Based on the San Luis Obispo County General Plan's Conservation/Open Space Element, the project site soils are considered Prime Farmland (if irrigated).

The soil type(s) and characteristics on the portion of the project site where cannabis activities are proposed include:

Mocho Loam (0-2 % slope)

> Mocho Loam is a loam alluvium weathered from sedimentary rock and relatively flat. It is well-drained soil that can be very slightly saline and typically occurs at the toe of slopes (USDA, 2019). This soil type is considered prime farmland if irrigated per the County Conservation and Open Space Element.

On the hillsides to the south, soil types include Los Osos loam, Salinas silty clay, Santa Lucia channery clay loam, and Corducci-typic xerofluvents. The intermittent stream, Tar Spring Creek, often contains flowing water for extended periods, and isolated ponds when not flowing. The stream has steep banks with widths ranging from 12 to 20 feet and a height of 10 to 15 feet. Substrate within Tar Spring Creek on the subject parcel consists of exposed bedrock, sand, gravel, cobble and boulder. Tar Spring Creek is classified by the USGS as a blue-line stream.

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?

The project was referred to the County of San Luis Obispo Department of Agriculture/Weights & Measures and was reviewed for ordinance and policy consistency. The project would result in the disturbance of 2.3 acres of Prime Farmland to allow for up to two acres of outdoor cannabis cultivation, a new 11,630 square-foot nursery building, approximately 600 square-feet of storage structures and access road improvements. The proposed project would result in the permanent conversion of approximately 12,230 square-feet (0.3 acre) of Prime Farmland for the construction and installation of nursery and accessory buildings and other ancillary use areas, and the semi-permanent conversion of 2 acres of Prime Farmland for cannabis cultivation. The permanent and semi-permanent conversion of 2.3 acres of Prime Farmland is considered less than significant because:

- This represents a small fraction of the total Prime Farmland in San Luis Obispo County, as mapped by the Department of Conservation Farmland Mapping and Monitoring Program in 2016; and
- The outdoor cannabis would be fenced and grown in-ground under hoop houses. The outdoor cannabis cultivation area could be converted back to an agricultural use at the end of the life of the project or at such time as cannabis activities are removed. The project will be conditioned to require the applicant to remove the fencing within 60 days if permitted cannabis use ceased to continue.

Impacts to Prime Farmland conversion would be less than significant.

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

The project site is within the Agriculture land use category where cannabis is an allowable use with a use permit. The Department of Agriculture/Weights and Measures indicates it is the declared policy of this County under Chapter 5.16 of the San Luis Obispo County Code and the County Agriculture Element to protect and encourage agricultural operations and conserve agricultural resources. Pursuant to Section 22.40.020 of the San Luis Obispo County Code, cannabis is not an agricultural commodity with respect to local "right to farm" ordinances nor is it considered "crop production and grazing" as a land use type. In this regard, the County has significant interest in ensuring the continued viability of agricultural operations adjacent and near cannabis cultivation operations. The project site is not under Williamson Act contract. The project would not conflict with existing zoning for agricultural use, or a Williamson Act contract and impacts would be less than significant.

(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))?

The project site does not contain land which is zoned as forest land or timberland. Therefore, the project would not conflict with existing zoning for, or cause rezoning of, forest land or timberland. No development is proposed south of Tar Spring Creek. No impact would occur.

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

The southernmost portion of the property contains approximately 9 acres of land dominated by coast live oak. Tar Spring Creek crosses the property between the existing agricultural operations and the oak woodland hillside south of the creek. The oak woodland would remain unaltered and all project construction and operations would be located at least 50 feet north of the riparian resources associated with Tar Springs Creek. Therefore, the project would not result in the loss of forest land or conversion of forest land to non-forest use. No impact would occur.

(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?

The project would result in the disturbance of 2.3 acres of Prime Farmland to allow for up to two acres of outdoor cannabis cultivation, nursery greenhouses for cannabis, and access.

The project was referred to the County of San Luis Obispo Department of Agriculture/Weights & Measures and was reviewed for ordinance and policy consistency. The Department raised concerns related to cannabis crop compatibility with potential pesticide drift from existing and potential adjacent agricultural operations. To address this concern, the applicant intends to lease the two adjacent parcels to the east and west, with a total of 49 acres to provide additional separation from surrounding agricultural operations and to help ensure ongoing compatibility.

The County acknowledges that the establishment of the proposed project has the potential to cause traditional agricultural operations to cease or curtail their crop production activities near the proposed site because of state regulations which have imposed pesticide residue thresholds for cannabis which are significantly lower than the residue thresholds allowed for traditional agricultural crops. More specifically, the County has received substantial evidence indicating pesticide applicators would refuse to serve an agricultural operation if a cannabis site is permitted in close proximity to the agricultural operation because of potential liability should a nearby cannabis operation be able to allege their cannabis has been made unmarketable by an offsite pesticide application, even if the levels of pesticide residue on the cannabis would otherwise be well within the amounts allowed for traditional agricultural food crops, like citrus, avocado, vineyards, vegetables and strawberries (County of SLO, Department of Agriculture / Weights & Measures, March 17, 2020). The Department has provided conditions requiring the applicant to hold harmless, address conservation practices and standards of the USDA Natural Resources Conservation Services Field Office Technical Guide and consult prior to use of any pesticide. The recommended conditions of approval set forth in the Department's letters of May 8, 2019, and March 17, 2020, will be incorporated into the project conditions to ensure consistency with ordinance and policy.

As discussed in item (a) above, the project will result in the permanent and semi-permanent conversion of up to 2.3 acres of Prime Farmland which is considered less than significant in relation to the total acreage of Prime Farmland in San Luis Obispo County. As discussed in item (c) above the project design incorporates a buffer of at least 50 feet from the riparian resources associated with Tar Spring Creek and the oak woodland on the southern portion of the property. The cannabis operations use, and location would be limited to the 2.3 acres as specified on the design plans. Impacts associated with farmland conversion would be less than significant level.

Conclusion

Potential impacts to agriculture and forestry resources would be less than significant.

Sources

See Exhibit A.

III. AIR QUALITY

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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 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 (SLOAPCD). The District 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 SLOAPCD 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.

The SLOAPCD identifies significant impacts related to consistency with the CAP by determining whether a project would exceed the population projections used in the CAP 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 CAP have been included in the project to the maximum extent feasible.

Thresholds of Significance for Construction Activities. The SLOAPCD developed and updated their San Luis Obispo County CEQA Air Quality Handbook (2012) to evaluate project specific impacts and help determine if air quality mitigation measures are needed, or if potentially significant impacts could result. The Handbook includes screening criteria for project impacts (Table 4). 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 thresholds for diesel particulate matter (PM_{10}) and ozone precursors (ROG + NOx). The SLOAPCD has estimated that a project with operations that include an unpaved roadway of one mile in length carrying 6.0 round trips would likely exceed the 25 lbs/day PM_{10} threshold.

Table 4 Thresholds of Significance for Construction

Pollutant	Threshold[1]		
	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 (PM_{10}), Dust[2]	--	2.5 tons	--

Source: SLOAPCD CEQA Air Quality Handbook, page 2-2.
Notes:
1. Daily and quarterly emission thresholds are based on the California Health and Safety Code and the California Air Resources Board Carl Moyer Guidelines.
2. Any project with a grading area greater than 4.0 acres of worked area can exceed the 2.5-ton PM_{10} quarterly threshold.

Thresholds of Significance for Operations. Table 1-1 of the SLOAPCD'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 (GHG) 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.

The SLOAPCD 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 PM_{10}. According to the SLOAPCD estimates, an unpaved roadway of one mile in length carrying 6.0 round trips would likely exceed the 25 lbs/day PM_{10} threshold.

If a project has the potential to cause an odor or other nuisance problem which could impact a considerable number of people, then it may be significant. The nearest offsite sensitive receptor to the site is a single-family residence located approximately 390 feet north of the proposed outdoor cultivation area and approximately 205 feet north of the existing greenhouse.

Discussion

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

The applicable air quality plan is the SLOAPCD Clean Air Plan (SLOAPCD 2012). In order to be considered consistent with the CAP, a project must be consistent with the land use planning and transportation control measures and strategies outlined in the CAP (SLOAPCD 2012). Adopted land use planning strategies include, but are not limited to, planning compact communities with higher densities, providing for mixed land use, and balancing jobs and housing. The project does not include development of retail or commercial uses that would be open to the public, therefore, land use planning strategies such as mixed-use development and planning compact communities are generally not applicable. The project would not result in a significant increase in employees and therefore would not significantly affect the local area's jobs/housing balance.

Adopted transportation control measures include, but are not limited to, a voluntary commute options program, local and regional transit system improvements, bikeway enhancements, and telecommuting programs. Project employees would generally be performing manual tasks such as

planting, harvesting, and monitoring the irrigation equipment; therefore, the project would not be a feasible candidate for participation in a telecommuting program. No regional transit system serves this area and therefore improvements to the transit system are not feasible. The project site is in a rural area, off an established bikeway system, and therefore bikeway enhancements are not feasible. Therefore, the project would not conflict with or obstruct implementation of the CAP and impacts would be less than significant.

(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?

Construction-related impacts. Ground disturbance includes clearing and grubbing, and access road improvements. The grading and earthwork associated with the proposed project driveway approach and access would be approximately 19,605 square feet, resulting in 104 cubic yards of cut and 91 cubic yards of fill and a net export of 14 cubic yards to be hauled offsite (an estimated one truck trip). The proposed 2.3-acres of disturbance would be below the 4-acre threshold of significance for grading.

Therefore, the project's potential impacts related to the exceedance of federal, state, or SLOAPCD ambient air quality standards due to construction activities would be less than significant and less than cumulatively considerable.

Operational impacts. During operations, the project has the potential to generate criteria pollutants (ozone precursors and fine particulates), primarily from new vehicle trips. According to trip generation rates for cannabis activities applied by the Department of Public Works (Letter from David E. Grim dated April 15, 2018), the project is expected to generate three (3) average daily motor vehicle trips. Employees would be required to carpool during harvest periods. According to the 2012 SLOAPCD CEQA Handbook, a project that generates fewer than 99 average daily motor vehicle trips will generate emissions that fall below the threshold of significance for ozone precursors. In addition, the site would be accessed via a short access roadway off Huasna Road that would be improved with a gravel base. Because the road is less than one mile in length, project operations would not exceed the 25 lbs/day PM_{10} threshold. Therefore, impacts related to exceedance of federal, state, or APCD ambient air quality standards due to operational activities would be less than significant and less than cumulatively considerable.

(c) Expose sensitive receptors to substantial pollutant concentrations?

Sensitive receptors are people who have an increased sensitivity to air pollution or environmental contaminants. Sensitive receptor locations include schools, parks and playgrounds, day care centers, nursing homes, hospitals, and residential dwelling unit(s). The nearest offsite sensitive receptor to the site is a single-family residence located approximately 205 feet north of the proposed indoor nursery greenhouses and more than 386 feet north from the outdoor cannabis cultivation area.

As proposed, the project would result in the disturbance of approximately 2.3 acres of land to allow for up to 2.0 acres of outdoor cannabis cultivation and access road improvements. The road improvements would require temporary, minimal ground disturbing activities over a presumed duration of less than two weeks. According to ARB's Community Health Perspective Handbook (2005), temporary activities do not typically result in particulate matter emissions concentrations that would cause a significant health risk effect. Therefore, the project would not expose sensitive receptors to substantial pollutant concentrations and impacts would be less than significant.

According to the SLOAPCD CEQA Air Quality Handbook, Naturally Occurring Asbestos (NOA) has been identified as a toxic air contaminant by the California Air Resources Board (ARB). Under the ARB 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 online 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 (ARB 2000; County of San Luis Obispo Online Land Use Viewer). Therefore, impacts would be less than significant.

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

The project includes outdoor cannabis cultivation which can produce potentially objectionable odors during the flowering, harvest, drying, and processing stages. Although the project would not affect a substantial number of people, these odors could disperse through the air and be sensed by surrounding receptors. Accordingly, Section 22.40.050.D.8 of the LUO requires the following:

> *All cannabis cultivation shall be sited and/or operated in a manner that prevents cannabis nuisance odors from being detected offsite.*

The project is in an area designated for agricultural uses. Surrounding land uses include active agriculture, rural residential, and undeveloped lands on parcels of similar size (25-60 acres). The nearest off-site sensitive receptor to the project site is a single-family residence located approximately 205 feet north of the existing greenhouse, and over 300 feet northeast of the proposed outdoor cultivation.

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.

Exposure to unpleasant odors may affect an individual’s quality of life. As discussed above, odors are not considered an air pollutant under federal or state air quality laws.

The Project incorporates the following features to address odors:

- The outdoor cannabis cultivation would be sited in the central portion of the site, set back a minimum of 300 feet from the northern and southern property lines. The proposed ancillary nursery will be setback over 100 feet from any existing offsite residence, in compliance with LUO Section 22.40.050.D.3.c. The proposed storage containers would be sited approximately 100 feet from the eastern property line. Although the applicant has requested a modification for reduced setbacks from the adjacent properties to the east and west, the applicant would lease those properties. The applicant asserts that leasing the adjacent eastern and western properties would provide a buffer of more than 300 feet from any potential offsite receptors to the east and west. The leases will be required as conditions of approval. No cannabis activities are proposed on the properties to be leased.
- The indoor cannabis nursery would be sited in greenhouses approximately 205 feet from

the closest adjacent offsite residence to the north. The applicant will incorporate odor control technology (i.e. fans and carbon scrubbers) in the greenhouses to address potential odor nuisances to off-site sensitive receptors.

- The Operations Plan required by LUO Section 23.08.416.A.3. sets forth operating procedures to be followed to help ensure nuisance odors associated with cannabis-related activities do not leave the project site.
- The project will be conditioned to operate in a manner that ensures nuisance 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.

The incorporated features as required by the LUO and conditions of approval would ensure that the project would not result in other emissions (such as those leading to odors) adversely affecting a substantial number of people. Impacts would be less than significant.

Conclusion

The proposed project construction and operations would not conflict with the SLOAPCD Clean Air Plan, exceed SLOAPCD thresholds for any criteria pollutants, or expose sensitive receptors to substantial pollutant concentrations. Project design would reduce the potential for cannabis odors to adversely affect a substantial number of people. Impacts to air quality would be less than significant and less than cumulatively considerable.

Sources

See Exhibit A.

IV. BIOLOGICAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(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?	☐	☒	☐	☐
(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?	☐	☐	☐	☒
(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?	☐	☒	☐	☐
(e)	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☒	☐
(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?	☐	☐	☐	☒

Initial Study – Environmental Checklist

Setting

The following are existing biological resources or habitats or near the proposed project site.

Name and distance from blue line creek(s): The cannabis proposed outdoor cultivation area would be located 50 feet north of Tar Spring Creek (Figure 3).

Habitat(s): Two habitats described, including irrigated row and field crops (IRF) and barren areas (BAR), were identified within the Project disturbance area (PAX, 2019). A vegetation alliance of coast live oak/poison oak riparian woodland was identified within the study area, but not within the area of disturbance.

PAX Environmental, Inc. (PAX) prepared a Biological Resources Assessment (BRA) with Addendums for the project site (PAX, 2020). No sensitive vegetation communities were identified in the project disturbance area during the survey. Irrigated row and field crops (IRF) composed approximately 8.36 acres (72.14%) of the study area. Potentially jurisdictional water areas were identified in the study area beyond the cannabis cultivation/disturbance limits to the south (Tar Spring Creek). One vegetation alliance of Coast Live Oak/Poison Oak riparian woodland *Quercus agrifolia/Toxicodendron diversilobum* riparian woodland [CaCode 71.060.39]) comprised approximately 1.98 acres (17.83%) of the study area. This vegetation alliance would not be directly impacted by the cannabis project construction or operations and occurs approximately 50 feet to the south of the proposed cannabis project boundary. This vegetation alliance is dominated by Coast Live Oak and Poison Oak, with other native trees and herbaceous species occurring at lower densities. This vegetation alliance is strongly associated with Tar Spring Creek, which flows from east to west, south of the project site, as well as the steep, north-facing slopes to the south of Tar Spring Creek. Barren (BAR) areas compose approximately 1.16 acres (10.02%) of the study area. This habitat type is defined by the absence of vegetation and qualifies as such when there is less than 2% total herbaceous cover and less than 10% tree or shrub cover. These areas are barren due to repeated disturbance associated with access road traffic, parking, staging, and work areas. Plant species observed in barren areas include some of the ruderal, weedy species listed above that can tolerate repeated disturbance, including black mustard, shepherd's purse, field bindweed, storksbill, scarlet pimpernel, cheeseweed, and bur clover. Urban habitat is a developed habitat type and has marginal value for wildlife because of human disturbance and a lack of vegetation. Developed areas consist of 0.09 acres of existing barns, hoop houses and ancillary equipment storage structures associated with Bautista Farm operations constructed immediately adjacent to the north of Tar Spring Creek and northeast of the cannabis project footprint.

Tar Spring Creek is an intermittent stream (USFWS classification code R4SBC) that contains flowing water for extended periods especially early in the growing season, but flowing water is absent by the end of the growing season in most years. When water is not flowing, it may remain in isolated pools or surface water may be absent. The stream has steep banks with bank full widths ranging from 12 to 20 feet and height of 10 to 15 feet. Substrate within Tar Spring Creek adjacent to the project site consists of exposed bedrock, sand, gravel, cobble and boulder. Surface water depths within the study area did not exceed 18 inches during surveys. Section 1600 of the California Fish and Game Code, the California Department of Fish and Wildlife (CDFW) may require a Streambed Alteration Agreement prior to any modification of the bed, bank, or channel of streambed. CDFW jurisdiction generally includes the streambed and the canopy of associated riparian vegetation.

Based on searches of the CDFW California Natural Diversity Database (CNDDB) and California Native Plant Society (CNPS) Inventory of Rare and Endangered Plants of California, suitable habitat for a total of 60 special-status botanical species and 27 special-status wildlife species, as well as migratory nesting birds, was

identified within 5 miles of the project site. No special status species were observed within the proposed area of disturbance during the field survey.

Special Status Plants

Based on searches of the CDFW California Natural Diversity Database (CNDDB) on-line inventory and California Native Plant Society (CNPS) Inventory of Rare and Endangered Plants of California, 60 special status plants are listed as occurring in the project region. The SLO County Online Land Use Viewer indicates that the area has potential Pismo Clarkia (*Clarkia speciosa* ssp. *immaculata)* habitat. Based on the field surveys and the known habitat requirements of the special status species identified by the records search, no federal, state, or CNPS listed threatened or endangered plant species are expected to occur in the cannabis project footprint.

Special Status Wildlife

Based on a search of the CNDDB, 27 special status wildlife species have the potential to exist in the area. Based on field observations, the following six (6) special status wildlife species were identified by PAX (2019) as having low to moderate potential to occur on the project site due to the site's previously disturbed character and presence of suitable habitat:

- Coast Range Newt (*Taricha torosa*)
- Western Pond Turtle (*Emys marmorata*)
- Townsend's Big-eared Bat (*Corynorhinus townsendii*)
- Western Red Bat (*Lasiurus blossevillii*)
- Yuma Myotis Bat (*Myotis yumanensis*)
- California red-legged frog (*Rana draytonii*)

Tar Spring Creek has a low potential for Coast range newt breeding and larval development and oak woodland habitat to the south of the creek is considered potentially suitable terrestrial habitat for the species. Western pond turtle is known to occur in Tar Spring Creek approximately 0.5-mile downstream and is considered to have a moderate potential to occur in the portion of the creek within the study area. The Project site does not represent suitable refuge, breeding, or foraging habitat for these species and any occurrence would be considered incidental. Furthermore, the banks of Tar Spring Creek are nearly vertical, further reducing the likelihood of incidental occurrence in the Project footprint.

Townsend's big-eared bat, western red bat, and Yuma myotis have a low to moderate potential to roost in man-made structures and basal cavities of trees within the study area. The western red bat may also roost in tree foliage and foliage over Tar Spring Creek in the study area. These species would not be expected to occur in the Project footprint.

One federally listed Threatened species and California Species of Special Concern, the California red-legged frog (*Rana draytonii*), has been recorded less than one mile west of the project study area in Arroyo Grande Creek (CNDDB, 2019). Tar Spring Creek is tributary to Arroyo Grande Creek. This species may disperse into, forage, and/or breed in Tar Spring Creek adjacent to the project site when conditions are suitable. PAX indicated that this species would not be expected to occur in the cannabis project footprint and any occurrence may be incidental. However, some California red-legged frogs move long distances over land between water sources during winter rains. For example, adult CRLF have been documented to move more than 2 miles in northern Santa Cruz County without apparent regard to topography, vegetation type, or riparian corridors (Bulger et al. 2003). Most of these overland movements occur at night.

As designed, no direct impacts to aquatic habitat for CRLF is expected to occur as a result of project related activities. However, this species does travel through upland habitats and may be crushed or trampled by vehicles and equipment if present on-site during construction. CRLF may use small mammal burrows for refuge and cover; excavation or crushing of any burrows during construction may result in direct impacts to this species. Indirect impacts to Tar Spring Creek, such as silt and sedimentation due to increased run-off may impact habitat for these species. Further, potential exposure to agricultural chemicals may have indirect and direct impacts on this species. Accordingly, potential impacts to red-legged frog from construction and ongoing operations is considered *less than significant with mitigation*.

The area has the potential for the California fully protected white-tailed kite (*Elanus leucurus*) to occur in the oak woodlands beyond the cannabis project impact footprint to the south of Tar Spring Creek. Additionally, the cannabis project site has the potential for common ground-nesting birds and the study area has the potential for nesting raptors and/or passerines in nearby native and ornamental shrubs and trees. Most native bird nests are protected by the Migratory Bird Treaty Act (16 U.S.C. §§ 703–712) and California Fish and Game Code (FGC Division 4, Part 2, §§ 3503 and 3513).

In 2018, a petition to list four species of bumblebee as endangered was received by the California Fish and Game Commission, and CDFW was tasked with evaluating available scientific information to determine if listing was warranted. The four bumble bee species are: Crotch bumble bee (Bombus crotchii), Franklin's bumble bee (Bombus franklini), Suckley cuckoo bumble bee (Bombus suckleyi), and western bumble bee (Bombus occidentalis). CDFW's Evaluation Report was completed on April 2019, and it was determined that, based on information in the petition, the four species are warranted for listing as endangered under the California Endangered Species Act (CESA). The Fish and Game Commission accepted the petition for consideration at their June 2019 meeting, and CDFW is completing additional analysis to determine if the species will meet the listing criteria. During the approximate one-year review period, the four bumble bee species have been identified as candidate species as defined by Section 2068 of the Fish and Game Code, and thereby are afforded all legal protections under CESA consistent with listing as endangered. CDFW's final evaluation report is expected in 2021.

Although no records of these four species were identified in the vicinity of the project from a query of the CNDDB conducted as part of the BRA, two of these species, the Crotch bumble bee and western bumble bee, historically occurred in the San Luis Obispo County area. However, because the Crotch bumble bee and western bumble bee are known to have occurred historically in the general area and given the extensive grassland and scrub habitats in the region, it is possible that individuals (particularly of the Crotch bumble bee, which is still known to occur in this area) could be present within the project area. They could also occur in offsite habitats and fly over and potentially forage on, or adjacent to, the proposed project area. As stated above, the ongoing and historic surface disturbance from agricultural operations onsite would remove nesting and overwintering habitat of the western bumble bee and Crotch bumble bee from the proposed project area. Given the current land uses on the project site, it is unlikely that these two species could nest or overwinter in the proposed area of disturbance, but fallow areas or agricultural crops could potentially contain individuals foraging onsite at the time project activities commence.

Based on the County's San Joaquin kit fox Standard Mitigation Ratio Areas map, the project is not located in an area with a designated mitigation ratio for San Joaquin kit fox habitat.

Sensitive Natural Communities

The CNDDB records search identified central foredunes, central dune scrub, central maritime chaparral, serpentine bunchgrass, coastal and valley freshwater marsh, and northern interior cypress forest as special status natural communities occurring in the project region. The project site consists of irrigated row and

field crops, coast live oak/poison oak riparian woodland, and barren or developed areas. None of the above-mentioned sensitive natural communities were identified during the survey or review of historic aerials dating back to 1994.

Oak Woodland Ordinance

The County of San Luis Obispo Oak Woodland Ordinance (LUO Section 22.58) applies to sites located outside of Urban or Village areas within the inland portions of the County. Oak woodland is defined as a grouping of trees over one acre growing in a contiguous pattern and on a site sufficiently uniform quality that is distinguishable as a unit; where dominant trees include coast live oak (*Quercus agrifolia*), among other oak species. The site property is inland, located outside of Urban or Village areas, and contains a distinguishable stand of trees dominated by coast live oak. The Ordinance applies to clear-cutting of oak woodland only and does not apply to the removal of other species of trees, individual oak trees (except for Heritage Oaks), or the thinning, tree trimming, or removal of oak woodland trees that are diseased, dead, or creating a hazardous condition. Heritage Oaks are defined as any individual oak of 48 inches diameter at breast height (dbh) or greater, separated from all stands and oak woodlands by at least 500 feet. The project's proposed area of disturbance would not include the existing oak woodland, nor would any trees be removed.

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?*

Special Status Plants

No special status plants were observed in the project footprint during the focused botanical reconnaissance survey in Spring conducted by PAX. Based on the field surveys and the known habitat requirements of the special status species identified by the records search, no federal, state, or CNPS listed threatened or endangered plant species are expected to occur in the Project footprint. In addition, the project site has been subjected to repeated disturbance over many years because of agricultural operations. Therefore, conditions are unsuitable for the special status plants known to occur in the project region. No impacts to special status plants are anticipated.

Special Status Wildlife

As described in the setting above, PAX identified six special status wildlife species that have a low to moderate potential to be on and/or in the vicinity of the project site based on CNDDB occurrence records and presence of at least some suitable habitat within the property. The project site has been subject to repeated disturbance over many years because of active agricultural operations, primarily fruit and vegetable row crops.

The species include the California red-legged frog (*Rana draytonii*), Coast Range Newt (Taricha torosa), Western Pond Turtle (Emys marmorata), Townsend's Big-Eared Bat (Corynorhinus townsendii), Western Red Bat (Lasiurus blossevillii), and Yuma Myotis Bat (Myotis yumanensis).

Special Status Reptiles and Amphibians. Site preparation and project construction activities could impact special status reptiles and amphibians, including the California red-legged frog (*Rana draytonii*), Coast Range Newt (Taricha torosa) and Western Pond Turtle (Emys marmorata). These species would be expected to be located in the area of Tar Spring Creek, 50 feet or more from the cannabis project area. Direct impacts to these species, if present, may occur as a result of

construction activities that may crush, trample, or entomb individuals underground. Indirect impacts include an increase in anthropogenic activities (e.g., site lighting, trespass outside of project footprint) and alteration or removal of suitable habitat. Direct impacts to these species would be less than significant with incorporation of mitigation measures BR-1, BR-2 and BR-8, which would require worker awareness training, focused surveys and monitoring, and BR-3, which would require site maintenance and general operations measures.

Roosting bats. The project area provides suitable roosting and foraging habitat for Townsend's Big Eared bate, Western red bat and Yuma Myotis bat. Project construction and implementation would not remove existing structures or oak trees onsite. Therefore, the project would not have direct impacts on bats. However, the project would result in temporary noise and dust disturbance associated with construction, and the loss of foraging habitat for these species within the project development area. Therefore, direct and/or indirect impacts to roosting bats would be less than significant with implementation of mitigation measures BR-1, BR-3, BR-4, and BR-5, which would require worker awareness training, site maintenance, a preconstruction survey, and a Light Pollution Prevention Plan.

Special Status Nesting Birds and Raptors. No special status nesting birds were observed in the study area. The cannabis project area has the potential for common ground-nesting birds and the study area has the potential for nesting raptors and/or passerines in nearby native and ornamental shrubs and trees. Site preparation and project construction activities could directly and/or indirectly impact bird species. These impacts would occur if construction activities took place during the typical avian nesting season, generally February 1 through September 15. Other indirect impacts may occur due to habitat construction-related disturbances that may deter nesting or cause nests to fail. Increased short- and long-term anthropogenic activity including increased light pollution may also result in nest failures or deterring nesting behavior. Impacts to special status nesting birds and raptors would be less than significant with the incorporation of mitigation measures BR-1, BR-3, BR-5 and BR-6 which would require worker awareness training, site maintenance and operations, a Light Pollution Prevention Plan, and nesting bird surveys.

Crotch and Western bumble bees. The current distribution (2002-2017) of Crotch bumble bee in Central and Southern California is restricted to the coast, except for three occurrences in the vicinity of the San Gabriel Mountains and San Bernardino Mountains. However, the project site is located within the historic distribution of Crotch bumble bee and, therefore, the species has some potential to occur on the project site (Xerces Society, 2018). The current and historic distribution of western bumble bee is predominantly in northern California along the coast and in mountains. There are no current reports of western bumble bee in San Luis Obispo County and only one historic record on the coast near Pismo Beach. The nearest current records are to the south near the Santa Monica Mountains and on the northern Channel Islands (Xerces Society, 2018). Therefore, it was determined that the western bumble bee has no potential to occur on the project site. The project would impact a small area in relation to the regional habitat availability and the large amount of open space surrounding the project. Site preparation and project construction activities could impact Crotch bumble bee if ground nests are present. Ground nests are often in abandoned holes made by ground squirrels, mice and rats, or occasionally abandoned bird nests (Osborne et al., 2008). Other indirect impacts may occur due to habitat loss (e.g., loss of foraging habitat). Impacts to Crotch bumble bee and Western bumble bee would be less than significant with incorporation of mitigation measure BR-7, which requires pre-construction surveys and avoidance measures in consultation with CDFW.

(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?

No sensitive vegetation communities or riparian habitat were mapped by PAX (PAX 2019) within the footprint of the cannabis project area. There is no proposed development in or around Tar Spring Creek or the foothills and oak woodland to the south of Tar Spring Creek. The proposed project would not result in direct impacts to these resources and would not be expected to substantially increase the intensity of indirect impacts from baseline condition. However, project construction may result in discharge into receiving downstream waters. Indirect impacts would be less than significant with implementation of mitigation measure BR-3, which would require site maintenance and general operations pollution control practices that prevent trespass outside of project footprint.

(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?

No state or federally protected wetlands were observed within the footprint of the cannabis project site (PAX 2019). No impacts would occur.

(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?

Suitable foraging and nesting habitat is present for migratory birds on the south side of the cannabis project site. The cannabis project area is a minimum of 50 feet from the creek foliage line and therefore, there is little potential that direct impacts to nesting birds (e.g., destruction of a nest) could occur. Potential indirect impacts to nesting activities of birds could occur near construction related activities that create noise and other disturbances that deter nesting or cause a nest to fail. Impacts to nesting birds would be temporary. Indirect impacts to migratory nesting birds would be less than significant with implementation of mitigation measure BR-5 and BR-6, which requires nesting bird surveys and avoidance if identified, and a Light Pollution Prevention Plan.

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

Oak woodland is located south of Tar Spring Creek and outside the proposed project area of disturbance. The project would not result in the removal or trimming of any oak trees and therefore would not conflict with the County's Oak Woodland Ordinance. In addition, the proposed project was reviewed for consistency with other local policy and regulatory documents relating to biological resources (e.g., County LUO, General Plan, etc.). Therefore, the project would not conflict with local policies or ordinances protecting biological resources and impacts would be less than significant.

(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?

There are no adopted Habitat Conservation Plans, Natural Community Conservation Plans, or other approved habitat conservation plans that apply to the project site. The project would not conflict with the provisions of any applicable plans and there would be no impact.

Conclusion

Potential impacts to biological resources would be reduced to a less than significant level with incorporation of mitigation measures BR-1 through BR-7 as described below and in Exhibit B. These measures require: construction and employee training program; focused surveys for special status reptile and amphibians and avoidance, Site Maintenance and General Operations procedures for heavy equipment, roosting bat avoidance and preconstruction survey, a nighttime Light Pollution and Prevention Plan, preconstruction surveys for nesting raptors and birds and avoidance, and a preconstruction survey for Crotch bumble bee and Western bumble bee and avoidance.

Mitigation

BR-1 **Environmental Awareness Training –** Prior to major construction activities (e.g., site mobilization, clearing, grubbing, preparation for installing new facilities, etc.), an environmental awareness training shall be presented to all project personnel by a qualified biologist prior to the start of any project activities. The training shall include color photographs and a description of the ecology of all special-status species known or determined to have potential to occur, as well as other sensitive resources requiring avoidance near project impact areas. The training shall also include a description of protection measures required by the project's discretionary permits, an overview of the federal Endangered Species Act, the California Endangered Species Act, and implications of noncompliance with these regulations, as well as an overview of the required avoidance and minimization measures. A sign-in sheet with the name and signature of the qualified biologist who presented the training, and the names and signatures of the trainees will be kept and provided to the County of San Luis Obispo (County). If new project personnel join the project after the initial training period, they will receive the environmental awareness training from a designated crew member on site before beginning work. A qualified biologist will provide refresher trainings during site visits or other monitoring events.

BR-2 **Special Status Herpetofauna (Reptiles and Amphibians) Avoidance and Protection.**

Pre-construction Survey for Special-status Reptiles and Amphibians. Within 30 days prior to issuance of grading and/or construction permits and immediately prior to initiation of site disturbance and/or construction, a qualified biologist shall conduct a focused pre-construction survey immediately before any initial ground disturbances (i.e. the morning of the commencement of disturbance) within 50 feet of suitable habitat. The survey will be focused for special status herpetofauna, including Coast Range newt, and western pond turtle. A survey report summarizing results of the survey shall be submitted to the County Department of Planning and Building within one week of completing the survey. Construction monitoring shall also be conducted by a qualified biologist during all initial ground-disturbing and vegetation removal activities (e.g., grading, grubbing, vegetation trimming, vegetation removal, etc.) within suitable habitat. If any special status reptiles and/or amphibians are found in the area of disturbance, the biologist shall move the animal(s) to an appropriate location outside the area of disturbance. Any sightings of special status species shall be documented and reported to County and CDFW staff and the CNDDB. The candidate site(s) for relocation shall be identified before construction and shall be selected based on the size and type of habitat present, the potential for negative interactions with resident species, and the species' range. A monitoring report summarizing

results shall be submitted to the County Department of Planning and Building within one week of completing monitoring work for these species.

If any additional ground- or vegetation-disturbing activities occur on the project site, the above surveys and monitoring shall be repeated.

BR-3 **Site Maintenance and General Operations.** The following measures are required to minimize impacts during active construction and ongoing operations. All measures applicable during construction shall be included on plans. All measures applicable to operation shall be clearly posted on-site in a location(s) visible to workers and anyone visiting the site:

1. The use of heavy equipment and vehicles shall be limited to the proposed project limits and defined staging areas/access points. The staging areas shall conform to all Best Management Practices applicable to obtaining zero discharge of stormwater runoff. The boundaries of each work area shall be clearly defined and marked with high visibility fencing (e.g., t-posts and yellow rope) and/or flagging. No work or travel shall occur outside these limits.
2. Project plans, drawings, and specifications shall show the boundaries of all work areas on site and the location of erosion and sediment controls, limit delineation, and other pertinent measures to ensure the protection of sensitive habitat areas and associated resources.
3. Staging of equipment and materials shall occur in designated areas at least 100 feet from aquatic habitat (e.g., swales, drainages, ponds, vernal pools, if identified on site).
4. Secondary containment such as drip pans shall be used to prevent leaks and spills of potential contaminants.
5. Washing of concrete, paint, equipment, and refueling and maintenance of equipment shall occur only in designated areas. Sandbags and/or absorbent pads shall be available to prevent water and/or spilled fuel from leaving the site.
6. Equipment shall be inspected by the operator daily to ensure that equipment is in good working order and no fuel or lubricant leaks are present.

BR-4 **Roosting Bats Avoidance Measures and Preconstruction Survey.** Site preparation, ground disturbance, and construction activities including any tree trimming and/or vegetation removal shall be conducted outside of the typical bat maternity roosting and pupping season (from February 1st to August 31st), if feasible. If site disturbance activities are to occur within this season, the applicant shall retain a County-qualified biologist to conduct a preconstruction survey within 14 days prior to commencement of proposed site disturbance activities. If any roosting bats are found during preconstruction surveys, no work activities shall occur within 100 feet of active roosts until bats have left the roosts. The County-qualified biologist shall prepare a report after each survey and a copy of the report shall be provided to the County within 14 days of completion of each survey. If no bat roosting activities are detected within the proposed work area, site disturbance and noise-producing construction activities may proceed, and no further mitigation is required.

BR-5 **Nighttime Lighting.**

To minimize the effects of exterior lighting on special-status wildlife species, the applicant shall submit a Light Pollution Prevention Plan to the County Planning Department for approval that incorporates the following measures to reduce impacts related to night lighting:

1. Exterior lighting used for security purposes shall be designed to be motion activated and be directed downward and to the interior of the site to minimize effects of exterior lighting on special-status wildlife species. Outdoor lighting shall be of the lowest lumen necessary to address security issues.

BR-6 Nesting Birds Protection Measures

1. **Pre-construction Survey for Sensitive and Nesting Birds.** If work is planned to occur between February 1 and September 15, a qualified biologist shall survey the area for nesting birds and bats within one week prior to initial project activity beginning, including ground disturbance and/or vegetation removal/trimming. This includes nests of all common bird species (under the MBTA), as well as special status birds, flying mammals, and raptor nests. If nesting birds are located on or near the proposed project site, they shall be avoided until they have successfully fledged, or the nest is no longer deemed active.

    a. A 250-foot exclusion zone shall be placed around non-listed, passerine species, and a 500-foot exclusion zone will be implemented for raptor species. Each exclusion zone shall encircle the nest and have a radius of 250 feet (non-listed passerine species) or 500 feet (raptor species). All project activities, including foot and vehicle traffic and storage of supplies and equipment, are prohibited inside 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 young have fledged or that proposed project activities would not cause adverse impacts to the nest, adults, eggs, or young.

    b. If special status avian species (aside from the burrowing owl) are identified and nesting within the work area, no work will begin until an appropriate exclusion zone is determined in consultation with the County and any relevant resource agencies.

    c. The results of the survey shall be provided to the County prior to initial project activities. The results shall detail appropriate fencing or flagging of exclusion zones and include recommendations for additional monitoring requirements. A map of the project site and nest locations shall be included with the results. The qualified biologist conducting the nesting survey shall have the authority to reduce or increase the recommended exclusion zone depending on site conditions and species (if non-listed).

    d. If two weeks lapse between different phases of project activities (e.g., vegetation trimming and the start of grading), during which no or minimal work activity occurs, the nesting bird survey shall be repeated.

BR-7 Crotch Bumble Bee (*Bombus crotchii*) and Western Bumble Bee (*Bombus occidentalis*) Avoidance and Minimization

1. **Pre-construction Survey for Crotch Bumble Bee and Western Bumble Bee.** The applicant shall retain a County-qualified biologist to conduct pre-construction survey(s) for Crotch bumble bee and Western bumble bee within suitable habitat (i.e., small mammal burrows, thatched/bunch grasses, upland scrubs, brush piles, unmowed/overgrown areas, dead trees, hollow logs, etc.) on the project site. Survey(s) shall be conducted over an extended period of time to document and establish whether the bees are present within the areas of disturbance.
2. **Avoidance.** If the survey(s) establish the presence of Crotch bumble bee or Western bumble bee within the areas of disturbance, the applicant shall retain a qualified biologist to prepare a Biological Resources Management Plan (Management Plan) subject to review and approval by the County Planning and Building Department in consultation with CDFW. The Management Plan shall include at least the following:
    a. Avoidance measures to include a minimum 50-foot no-disturbance buffer to avoid take and potentially significant impacts.
    b. If ground-disturbing activities will occur during the overwintering period (October through February), the applicant, in coordination with the County Planning and Building Department, shall consult with CDFW to identify specific measures to be undertaken to avoid take as identified by the California Endangered Species Act (CESA).
    c. In the event that CBB and/or WBB are denied listing under CESA by state law, this mitigation measure shall no longer be required for the respective species.

BR-8 **California Red-legged Frog (CRLF)**. The following measures shall be implemented to mitigate potential impacts to CRLF:

1. Site preparation, including vegetation clearance, soil disturbance, and grading shall not occur:
    (a) during the typical rainy season (November 1 to April 1),
    (b) during the nighttime (between 30 minutes before dusk and 30 minutes after dawn),
    (c) during an actual or predicted rain event of 0.25-inches or greater or within 24 hours after an actual rain event, and
    (d) near isolated pools.
2. If remaining construction activities (such as wall construction or interior work) are proposed during the rainy season, prior to obtaining a building permit or continuing construction, the applicant shall prepare a Management Plan prepared by a qualified professional. The project's Management Plan is subject to the review and approval of the United States Fish & Wildlife Service (USFWS) and San Luis Obispo County Planning & Building Department prior to any continuation of construction or building.
3. The Management Plan shall address items including, but not limited to:
    (a) monitoring that will occur during construction related activities (e.g., monitoring duration, time, frequency),
    (b) procedures if a California Red Legged Frog (CRLF) or other sensitive species is encountered during construction related activities,

(c) pre-construction worker training,

(d) the construction schedule proposed to minimize impacts to sensitive species (i.e, completing construction activities closest to potential CRLF habitat first), and

(e) the filing of a post-construction report "lessons learned" on the effectiveness of the required measures.

4. Construction activities conducted during the wet season shall not occur:

(a) during the nighttime (between 30 minutes before dusk and 30 minutes after dawn), or

(b) during an actual or predicted rain event of 0.25-inches or greater, or within 24 hours after an actual rain event. The applicant will complete construction activities closest to potential CRLF habitat (Tar Spring Creek) first, followed by activities that are further from the potential habitat.

Sources

See Exhibit A.

V. CULTURAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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 disturbance area is within 100 feet of a USFWS National Hydrography Dataset (NHD) stream (Tar Spring Creek), which could be indicative of prehistoric human occupation. Tar Spring Creek crosses the southern portion of the project parcel at the base of the foothills of Newsome Ridge. Pursuant to County LUO Section 22.94.040, a preliminary site survey for potential archaeological resources is required because the proposed cultivation would be located on slopes less than 10 percent and within 300 feet of a "blue line stream" indicated on a the USGS 7.5-minute topographic quadrangle map.

CCARC prepared a Phase I Cultural Resources Survey dated November of 2020 for the project study area, which included a records search and a field inspection of the site (Azevedo, 2020). Although Native American outreach was not conducted as part of the Phase I study, County Department of Planning and Building Staff referred the project application materials to the Northern Chumash Tribal Council (NCTC).

The literature and records search were conducted at the Central Coast Information Center (CCIC), University of California, Santa Barbara. The CCIC search response letter revealed that there are historical resource sites within a 0.25-mile radius study area and potentially within the current project study area. Although the records search indicated that a resource site is within or near the proposed project area of disturbance, CCARC performed a GIS analysis and concluded that the resource site is not located within the proposed site disturbance area. CCARC reported that ground surface visibility within the proposed area of disturbance was excellent, and the field inspection did not identify prehistoric resources, historic resources, or historic structures within the proposed area of disturbance.

Although the project would be located within an area of moderate archaeological sensitivity, the low-lying landform has been altered during previous agriculture cultivation practices and land preparation, including maintenance, grading, disking, and construction of fencing, in addition to the adjacent road construction, and utility installation. The area within and in the vicinity of the landform is known to be under agricultural cultivation since the 1800s. The potential for intact archaeological deposits existing on the property is low. No further archaeological work was recommended within the proposed area of disturbance.

Pursuant to County LUO Section 22.10.040, if during any future grading and excavation, buried or isolated

cultural materials are unearthed, work in the area shall halt until they can be examined by a qualified archaeologist and appropriate recommendations made. State law 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.

Discussion

(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?

(a-b) As discussed in the setting, the literature and records search conducted with the Phase I survey identified previously recorded historical and cultural resources within a 0.25-mile radius of the project site. CCARC's review of these records indicated that the previously recorded resources are not within the proposed project area of disturbance or study area. The records search identified no cultural resources recorded within or in the immediate vicinity of the study area. The field inspection in September 2020 did not indicate the presence of any cultural resources. However, in the event resources are uncovered during project construction activities, implementation of LUO Section 22.10.040 (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 shall be notified of the discovery. The project will be required to comply with existing requirements in Land Use Ordinance Section 22.1.040 and impacts to archaeological resources would be less than significant.

(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 project construction activities, implementation of LUO Section 22.10.040 (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 shall be notified of the discovery. If the discovery includes human remains, the County Coroner shall also to be notified. 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. The project will be required to comply with the existing regulations prescribed in the State of California Health and Safety Code Section 7050.5 and potential impacts to human remains would be less than significant.

Conclusion

The field inspection did not identify any prehistoric materials or historic-period structures or materials within the proposed disturbance area. The project will be required to comply with existing Land Use Ordinance requirements and Health and Safety regulations and significant impacts are not anticipated. No mitigation measures are necessary.

Sources

See Exhibit A.

VI. ENERGY

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

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 GHG-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 Conservation and Open Space Element (COSE) of the San Luis Obispo General Plan establishes goals and policies that aim to reduce vehicle miles traveled, conserve water, increase energy efficiency and the use of renewable energy, and reduce GHG 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 GHG emissions through a number of goals, measures, and actions, including energy efficiency and development and use of renewable energy resources.

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 non-residential lighting requirements.

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. The LUO establishes criteria for project eligibility, required application content for solar electric facilities 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 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?*

(b) *Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?*

(a-b) The proposed project would include outdoor cultivation and indoor nursery. The project incorporates the following features to minimize wasteful, inefficient, or unnecessary consumption of energy resources:

- The outdoor cultivation would not include any lighting for growing purposes.
- Only minimal outdoor lighting would be used for security and would be solar-powered, LED and motion-activated.
- The project would be conditioned to meter electricity used for cannabis activities and to provide the Department of Planning and Building with quarterly energy usage monitoring reports based on those meter readings. Ongoing monitoring would ensure that project energy consumption remains consistent with the energy use estimate provided in the application.

This analysis evaluates the use of energy resources (e.g., fuel and electricity) associated with construction activities, as well as operation and maintenance of the project. For construction, the analysis considers whether construction activities would use large amounts of fuels or energy, and whether they would be used in a wasteful manner. For energy used during operations, the analysis identifies energy use that would occur with implementation of the project to determine whether large amounts would be used and whether they would be used in a wasteful manner.

Project development would result in 2.2 acres of site disturbance for an access road, greenhouse, storage containers for drying product, security equipment shed and outdoor cannabis cultivation.

Construction-related Impacts. Construction would require the use of fossil fuels (primarily gas, diesel, and motor oil) for construction equipment and vehicle travel. The precise amount of construction-related energy consumption is uncertain. However, construction would not require a large amount of fuel or energy usage because of the limited extent and nature of the proposed improvements and the minimal number of construction vehicles and equipment, worker trips, and truck trips that would be required for a project of this small scale. State and federal regulations in place require fuel-efficient equipment and vehicles and prohibit wasteful activities, such as diesel idling. Construction contractors, to ensure cost efficiency, would not be expected to engage in wasteful or unnecessary energy and fuel practices. Therefore, project construction would not include activities that would result in the use of large amounts of fuel and energy in a wasteful manner. Energy consumption during construction would not conflict with a state or local plan for renewable energy; construction period impacts would be less than significant.

Operational Impacts. 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 typical commercial building of the same size. Based on the California Energy Commission Report prepared by Itron, Inc. (Itron Inc., 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 include 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 indoor cultivation activities would not be subject to these state energy efficiency regulations, they could potentially result in wasteful, inefficient, or unnecessary energy consumption.

Electricity and Natural Gas. In order to calculate a project's energy demand, the County uses 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 indoor 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, cameras) 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 21,780 square-feet of greenhouse for mixed-light cannabis nursery. 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 proved in Table 5. No diesel, gasoline, or natural gas is proposed. The application materials indicate total greenhouse energy use would be about 4,138,200 kWh/yr.

Table 5 Project's Projected Operational Energy Use Compared with a Generic Building of Comparable Floor Area.

Project Component	Quantity	Rate kWh/year	Projected Energy Demand (kWh/year)
Typical Commercial Building of Comparable Size	21,780 sq. ft.	21.25[1]	464,738
(2) Nursery Greenhouses		110	2,395,800
Percent in excess of generic commercial building			**516%**

[1] Generic Commercial Building of Comparable Size per sf

Based on the energy consumption rates above, the proposed project's cultivation activities would use at least 516% more energy than a generic non-cannabis commercial building of the same size. Based on the applicant's estimate, the proposed project's cultivation activities would use approximately 890% 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. Therefore, the project has potential to conflict with state and local plans for energy efficiency.

Mitigation Measures ENG-1 and ENG-2 are recommended which would reduce the project's individual and cumulative impacts associated with wasteful and inefficient energy use to a less than significant level through the preparation and implementation of an Energy Conservation Plan which would identify measures to be incorporated into the project to reduce or offset project energy demand that exceeds the demand associated with a typical commercial building of comparable floor area. ENG-1 requires the applicant to implement one or more of the measures identified in the Energy Conservation Plan until the project's energy demand is reduced and/or offset to within 20% of the energy use of a typical commercial building of the same size (557,685 kWh/year). This may be accomplished by enrollment in one of PG&E's renewable energy programs such as Solar Choice and Regional Renewable Choice. Under the Solar Choice Program, a customer may purchase electricity from a pool of solar generating projects within the PG&E service area. A customer may enroll by phone or by way of the internet. As of the date of this MND, there are a total of six dedicated solar generation facilities in this program with a combined generating capacity of 50.25 megawatts, plus one additional 1.5 MW facility under development.

Under the Regional Renewable Program, a customer may purchase up to 100% of energy demand from a specific renewable energy provider within the PG&E service area. As of the date of this MND, there are five renewable energy providers within the PG&E service area. As with the Solar Choice Program, a customer may enroll by phone or by the internet.

The applicant may also choose to pursue other strategies identified in the Energy Conservation Plan such as the retrofit of existing structures with energy saving features, sourcing project energy from other renewable/sustainable energy sources, or other strategies or programs that effectively reduce or offset energy use and/or increase the project utilization of sustainable, GHG-free energy sources.

Fuel Use. During the operational phase, energy (i.e., gasoline and/or diesel fuel) would also be consumed through daily worker trips to the facility, and truck trips associated with delivery of supplies and distribution. As discussed in Section III.b, the project is anticipated to generate up to 3 trips per day. The 3 daily trips generated by the project would not result in the use of large amounts of fuel or in a wasteful manner; the impact would be less than significant.

Conclusion

The project would result in a potentially significant environmental impact due to inefficient or unnecessary electricity use in the proposed greenhouses during long-term operations. Inefficient energy use would potentially conflict with state or local energy efficiency plans. Implementation of mitigation measures ENG-1 and ENG-2 would reduce potential impacts to less than significant by requiring the applicant to use a renewable energy source and/or offset the project's energy demand.

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. In this case, the estimated reduction or offset would be at least: 2,395,800 kWhr/yr – 557,685 kWhr/yr = 1,838,115 kWhr/yr; and the amount of energy not otherwise reduced, or offset must not exceed 557,685 kWhr/yr. 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 another 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 Quarterly Monitoring Inspection

At time of quarterly monitoring inspection, the applicant shall provide to the Department of Planning and Building for review, documentation demonstrating continued compliance with mitigation measure ENG-1 (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

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:	☐	☐	☒	☐
	(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.	☐	☐	☒	☐
	(ii) Strong seismic ground shaking?	☐	☐	☒	☐
	(iii) Seismic-related ground failure, including liquefaction?	☐	☐	☒	☐
	(iv) Landslides?	☐	☐	☒	☐
(b)	Result in substantial soil erosion or the loss of topsoil?	☐	☐	☒	☐
(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?	☐	☐	☒	☐
(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?	☐	☐	☒	☐
(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?	☐	☐	☐	☒

Initial Study – Environmental Checklist

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(f)	Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☒	☐

Setting

The following relates to the project's geologic aspects or conditions:

Topography: Nearly level on the agricultural area and foothills up to 30% on the southern side of Tar Spring Creek

Within County's Geologic Study Area?: No

Landslide Risk Potential: Moderate

Liquefaction Potential: Moderate

Nearby potentially active faults?: Los Osos Fault, Newson Ridge Section Distance: about 2 miles to the east

Area known to contain serpentine or ultramafic rock or soils?: No

Shrink/Swell potential of soil: Low

Other notable geologic features?: None

Geology and Soils: The project site is not located within the Geologic Study Area designation and is not within a high liquefaction area. The level areas of the site have a moderate liquefaction potential and moderate landslide potential. The Setting in Section II, Agriculture and Forestry Resources, describes the soil type and characteristics on the project site. The project site is not located in an Alquist Priolo Fault Zone and no active fault lines cross the project site (California Geologic Survey [CGS], 2018). The County COSE identifies a policy for the protection of paleontological resources from the effects of development by avoiding disturbance where feasible. Where substantial subsurface disturbance is proposed in paleontologically sensitive units, Implementation Strategy CR 4.5.1 (Paleontological Studies) requires a paleontological resource assessment and mitigation plan be prepared, to identify the extent and potential significance of resources that may exist within the proposed development and provide mitigation measures to reduce potential impact to paleontological resources. The project site lies on Quaternary alluvium (Qa), which has high paleontological sensitivity within Pleiocene stratum (County Land Use View; Brady, 2010). Due to the farming history of the area, the upper surface of the alluvial soils in the area have been heavily disturbed by plowing and other farming activities. Therefore, it is unlikely that undisturbed fossil remains are present in the upper 1 to 2 feet of the farmed areas.

A sedimentation and an erosion control plan is required for all construction and grading projects (LUO Section 22.52.120) to minimize impacts. The site has moderately low potential for wind erosion. The plan must be prepared by a civil engineer to address both temporary and long-term sedimentation and erosion impacts. It must be submitted to the County for review and approval at the time of application for construction permits. Projects involving more than one acre of disturbance are also 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 monitors 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.

The project site is not located in an Alquist-Priolo Fault Zone, and no active fault lines cross the project site (CGS, 2018). Therefore, the project site would not be susceptible to rupture of a known earthquake fault and the project would not exacerbate any existing hazards. Impacts would be less than significant.

(a-ii) Strong seismic ground shaking?

The project site is not located in an Alquist Priolo Fault Zone, and no active fault lines cross the project site (CGS, 2018). The nearest potentially active fault is the Los Osos Fault, Newman Ridge section located about 2 miles to the east. Therefore, the project site would not be susceptible to strong seismic ground shaking. All structures will meet current seismic codes and impacts would be less than significant.

(a-iii) Seismic-related ground failure, including liquefaction?

The project site is not located within the Geologic Study Area designation and is not within a high liquefaction area. The level areas of the site have a moderate liquefaction potential. The Setting in Section II, Agriculture and Forestry Resources, describes the soil types and characteristics on the project site. The new nursery greenhouse will be required to meet all current seismic safety standards; therefore, the project would not directly or indirectly cause potential substantial adverse effects involving seismic-related ground failure, including liquefaction or exacerbate any existing hazards; impacts would be less than significant.

(a-iv) Landslides?

The site's potential for landslides is moderate and the topography within the proposed area of disturbance is nearly level. The project would not exacerbate any existing hazards related to landslides; impacts would be less than significant.

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

The proposed project would result in approximately 2.3 acres of ground disturbance for the access road, water tank, water line, nursery greenhouse, cargo containers, and 2 acres of outdoor cultivation. The site has moderately low wind erosion potential. Earthwork for the proposed project development

would require a total estimated disturbance 104 cubic yards of cut and 91 cubic yards of fill, with a next export of 14 cubic yards. Export will be hauled offsite. During ground disturbing activities, there is a potential for erosion and down-gradient sedimentation to occur. The required SWPPP and sedimentation and erosion control plan for construction would ensure that potential impacts associated with erosion and the loss of topsoil would 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?

The project site is relatively flat. The average slope of the parcel is under two (2) percent in the cannabis project area. The Setting in Section II, Agriculture and Forestry Resources, describes the soil types and characteristics on the project site. While the site has a moderate liquefaction potential and moderately low wind erosion potential, the new greenhouse nursery would not exacerbate existing hazardous conditions and would meet all current geologic and building permit requirements for construction. Impacts would 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?

The soils associated with the project site are described in Section II, Agriculture and Forestry Resources. None of the soils are considered expansive as defined by Table 18-1-B of the Uniform Building Code. No impact would occur.

(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?

The proposed project would include the installation of a portable restroom(s); however, the project does not include the use of septic tanks or alternative wastewater disposal systems. Also, the project would not require use of a septic/leach system. Therefore, the project would have no impact related to the use of septic tanks or alternative wastewater disposal systems.

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

The project site lies on Quaternary alluvium (Qa), which has high paleontological sensitivity in the Pleistocene stratum (County Land Use View; Brady, 2010). The cultivation area is in a previously disturbed area (row crops) and the project does not involve ground disturbing activities that have the potential to go beyond a depth of 2 feet and damage paleontological resources. Therefore, impacts would be less than significant.

Conclusion

Compliance with ordinance requirements will ensure that potential impacts associated with geology and soils are less than significant. Therefore, no mitigation measures are necessary.

Sources

See Exhibit A.

VIII. GREENHOUSE GAS EMISSIONS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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 (CO_2), methane (CH_4), nitrous oxide (N_2O), 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 CARB, transportation (vehicle exhaust) and electricity generation are the main sources of GHGs in the state.

In October 2008, the CARB 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, which codifies the Statewide goal of reducing emissions to 1990 levels by 2020 (essentially a 15% reduction below 2005 emission levels) and the adoption of regulations to require reporting and verification of statewide GHG emissions. The Scoping Plan included CARB-recommended GHG reductions for each sector of the state's GHG emissions 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.

Senate Bill (SB) 32 and Executive Order (EO) S-3-05 extend the state's GHG reduction goals and require CARB to regulate sources of GHGs to meet a state goal of reducing GHG emissions to 1990 levels by 2020, 40% below 1990 levels by 2030, and 80% below 1990 levels by 2050. The initial Scoping Plan was first approved by CARB on December 11, 2008, and is updated every 5 years. The first update of the Scoping Plan was approved by the CARB 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 CARB 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.

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.

When assessing the significance of potential impacts for CEQA compliance, an individual project's GHG emissions will generally not result in direct significant impacts 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. Instead, the following threshold options are recommended for consideration by the lead agency:

- Consistency with a Qualified Climate Action Plan: CAPs conforming to CEQA Guidelines § 15183 and 15183.5 would be qualified and eligible for project streamlining under CEQA.

  The County of San Luis Obispo EnergyWise (EWP), adopted in 2011, serves as the County's GHG reduction strategy. The GHG-reducing policy provisions contained in the EWP were prepared for the purpose of complying with the requirements of AB 32 and achieving the goals of the AB 32 Scoping Plan, which have a horizon year of 2020. Therefore, the EWP is not considered a qualified GHG reduction strategy for assessing the significance of GHG emissions generated by projects with a horizon year beyond 2020.

- No-net Increase: The 2017 Scoping Plan states that no-net increase in GHG emissions relative to baseline conditions "*is an appropriate overall objective for new development*" consistent with the Court's direction provided by the Newhall Ranch case which demonstrated that no-net GHG increase was feasible and defensible. Although a desirable goal, the application of this threshold may not be appropriate for a small project where it can be clearly shown that it will not generate significant GHG emissions (i.e., di minimus: too trivial or minor to merit consideration).

- Lead Agency Adopted Defensible GHG CEQA Thresholds: Under this approach, a lead agency may establish SB 32-based local operational thresholds:

  - *Meeting Local GHG Emission Targets with Best Management Practices*

    On April 23, 2020, the Sacramento Metropolitan Air Quality Management District (SMAQMD) adopted Greenhouse Gas Thresholds for Sacramento County. This substantial evidenced based document sets SB 32-based local GHG emission targets for 2030 by evaluating the GHG inventory for local emission sectors relative to statewide sector inventories and the state's GHG reduction target of 40% below 1990 levels. Relative to business-as-usual, the document considered the commercial and residential sector emission reductions needed from new development to help achieve the SB 32 goal. To help secure these reductions, best management practices were established for new development.

  - *GHG Bright-line and Efficiency Thresholds*

    SB 32 based local bright-line and operational efficiency thresholds can be established by evaluating local emission sectors in a jurisdiction's GHG inventory relative to statewide sector inventories and the state's GHG reduction target of 40% below 1990 levels. This approach is found in earlier drafts of SMAQMD's SB 32 threshold work and the AEP Climate Change Committee may provide guidance on a similar approach.

As discussed above, SB 32 requires the state to reduce GHG levels by 40 percent below 1990 levels by the year 2030. According to the California Greenhouse Gas Emissions for 2000 to 2017, Trends of Emissions and Other Indicators published by the California Air Resources Board, emissions of GHG statewide in 2017 were 424 million $MMTCO_2e$, which was 7 million MTCO2e below the 2020 GHG target of 431 $MMTCO_2e$ established by AB 32. At the local level, an update of the County's EnergyWise Plan prepared in 2016 revealed that overall GHG emissions in San Luis Obispo County decreased by approximately seven percent between 2006 and 2013, or about one-half of the year 2020 target of reducing greenhouse gas emissions by 15% relative to the 2006 baseline[1]. Therefore, application of the 1,150 $MTCO_2e$ Bright Line Threshold in San Luis Obispo County, together with other local and State-wide efforts to reduce GHG emissions, proved to be an effective approach for achieving the reduction targets set forth by AB32 for the year 2020. It should be noted that the 1,150 $MTCO_2e$ per year Bright Line Threshold was based on the assumption that a project with the potential to emit less than 1,150 $MTCO_2e$ per year would result in impacts that are less than significant and less than cumulatively considerable impact and would be consistent with state and local GHG reduction goals.

Since SB 32 requires the state to reduce GHG levels by 40 percent below 1990 levels by the year 2030, the application of an interim "bright line" SB32-based working threshold that is 40 percent below the 1,150 $MMTCO_2e$ Bright Line threshold (1,150 x 0.6 = 690 $MMTCO_2e$) would be expected to produce comparable GHG reductions "in the spirit of" the targets established by SB32. Therefore, for the purpose of evaluating the significance of GHG emissions for a project after 2020, emissions estimated to be less than 690 $MMTCO_2e$ per year GHG are considered *de minimus* (too trivial or minor to merit consideration) and will have a less than significant impact that is less than cumulatively considerable and consistent with state and local GHG reduction goals.

Discussion

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

The California Energy Emissions Model (CalEEMod) was used to determine the approximate GHG emissions per square foot associated with construction and operation of an outdoor cultivation operation based on an estimate of energy use factors for construction and operation. These emission factors were then multiplied by the total area proposed for outdoor cultivation to estimate the project's construction-related and annual operational carbon dioxide equivalent emissions in metric tons ($MTCO_2e$;Table 6).

[1] AB32 and SB32 require GHG emissions to be reduced to 1990 levels by the year 2020. The EnergyWise Plan assumes that the County's 1990 GHG emissions were about 15% below the levels identified in the 2006 baseline inventory.

Table 6 Project's Projected Operational GHG Emissions (CO2e) Without Mitigation

Project Component	Quantity	Emissions Rate (Annual $MTCO_2e$/sf)		Estimated Projected Annual CO_2 Emissions (MT/year)
		Construction[1]	Operation	
Existing single-family residence	1 dwelling	n/a	4.2[1]	4.2
Existing Accessory Buildings	1,440 sq.ft.	n/a	0.0069	9.93
Existing Crop Production	6.35 acres	n/a	0.000020[2]	5.50
Existing Nursery Greenhouses	10,150 sq. ft.	n/a	0.058[3]	588.7
Existing/Baseline GHG Emissions				**598.4**
Proposed Outdoor cannabis cultivation	87,120 sq.ft.	n/a	0.000020[2]	1.7
Proposed Ancillary Nusery.	21,780 sq. ft.	0.022	0.036[3]	832.0
Proposed Security Shed	120 sq. ft.	0.022	0.0069	8.0
Total New GHG Emissions				**841.7**

Sources: County of San Luis Obispo Department of Planning and Building, 2020, CalEEMOD version 2016.3.2

Notes:

1. Based on 18,000 kWhr/household/year.
2. GHG generation associated with crop production based on 6.2 million MTCO2e per year GHG from crop production in California (Source: California Greenhouse Gas Emissions for 2000 to 2018) and 7.3 million acres of harvested crop acreage in California in 2019 (Source: California Department of Food and Agriculture Agricultural Statistics Review 2018-2019
3. CalEEMod 2016.

As shown in Table 6, project related GHG emissions will be above the threshold of 690 $MTCO_2e$.

Table 7 provides an estimate of GHG emissions that accounts for the reduction/offset of estimated energy demand associated with implementation of mitigation measure ENG-1 in Section VI. Energy. This measure requires the project to reduce or offset estimated energy demand to within 20% of the demand associated with a typical commercial building of comparable floor area, which in this case is 557,685 kWhr/yr.

As shown in Table 7, implementation of the energy conservation measures identified in ENG-1 will reduce project-related GHG emissions to about 310 MTCO2e which is below the interim working threshold of 690 MTCO2e. Accordingly, impacts associated with GHG emissions and applicable plans and policies adopted for the purpose of reducing GHG emissions would be less than significant with implementation of mitigation measure ENG-1.

Table 7 Project's Projected Operational GHG Emissions (CO2e) With Mitigation

Project Component	Quantity	Emissions Rate (Annual $MTCO_2e$/sf)		Estimated Projected Annual CO_2 Emissions (MT/year)
		Construction[1]	Operation	
Existing single-family residence	1 dwelling	n/a	4.2[1]	4.2
Existing Accessory Buildings	1,440 sq.ft.	n/a	0.0069	9.93
Existing Crop Production	6.35 acres	n/a	0.000020[2]	5.50
Existing Nursery Greenhouses	10,150 sq. ft.	n/a	0.058[3]	588.7
Existing/Baseline GHG Emissions				**598.4**
Proposed Outdoor cannabis cultivation	87,120 sq.ft.	n/a	0.000020[2]	1.7
Proposed nursery)	21,780 sq. ft.	0.022	0.036[3]	300.5
Proposed Security Shed	120 sq. ft.	0.022	0.0069	8.0
Total New GHG Emissions				**310.2**

Sources: County of San Luis Obispo Department of Planning and Building, 2020, CalEEMOD version 2016.3.2

Notes:

1. Based on 18,000 kWhr/household/year.
2. GHG generation associated with crop production based on 6.2 million MTCO2e per year GHG from crop production in California (Source: California Greenhouse Gas Emissions for 2000 to 2018) and 7.3 million acres of harvested crop acreage in California in 2019 (Source: California Department of Food and Agriculture Agricultural Statistics Review 2018-2019.
3. CalEEMod, 2016.

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

As discussed in Section IV. Energy, the project would result in inefficient or wasteful energy use, which would contribute to higher GHG emissions; and by nature, conflicts 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 the project would not exceed the interim working threshold of 690 MTCO2e/yr. Implementation of mitigation measures ENG-1 would reduce the project's energy consumption and GHG emissions below the identified threshold, such that the project would not conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing GHG emissions. Therefore, potential impacts would be less than significant with incorporation of mitigation measure ENG-1.

Conclusion

With mitigation, the project would not result in potentially significant GHG emissions during long-term operations and would not potentially conflict with plans adopted to reduce GHG emissions. Compliance with the provisions of the Code of Regulations together with recommended mitigation measure ENG-1 will reduce GHG-related impacts to less than significant.

Mitigation

Implement mitigation measure ENG-1.

Sources

See Exhibit A.

IX. HAZARDS AND HAZARDOUS MATERIALS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☒	☐
(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?	☐	☒	☐	☐
(c)	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed 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?	☐	☐	☐	☒
(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?	☐	☐	☐	☒
(f)	Impair implementation of or physically 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?	☐	☐	☒	☐

Setting

To comply with Government Code section 65962.5 (known as the "Cortese List") the project applicant consulted the following databases/lists to determine if the project site contains hazardous waste or substances:

- 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" CDO and 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 consultation concluded that the project site is not located in an area of known hazardous material contamination.

LUO Section 22.40.050 C, 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 hazard response plan.

According to CalFire's San Luis Obispo County Fire Hazard Severity Zone map, the project site is within a mixed "moderate" (flat area) to "high" (creek area) to "very high" (hillside) severity risk area for fire. The closest fire station to the project site is Pismo Beach station 64 which is approximately seven (7) miles from the site. According to San Luis Obispo General Plan Safety Element Emergency Response Map, average emergency response time to the project site is between 5 and 10 minutes (San Luis Obispo County 1999).

The project is not within the Airport Review area; and no schools are located within a quarter mile of the project site.

Discussion

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

(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?

(a-b) Construction-related impacts: General project site topography directs runoff to the south toward Tar Spring Creek an intermittent stream at the southern portion of the property. The proposed areas of disturbance will be sited on level areas on the central portion of the project site, approximately 50 feet north of the Tar Spring Creek and separated from the creek by an existing agricultural access road. Construction activities would involve the use of small amounts of hazardous materials, such as oil, fuel, and solvents. Therefore, a spill or leak of these materials under accident conditions during construction activities could create a potentially significant hazard to the surrounding environment. Mitigation measure HAZ-1 is required to reduce potential impacts associated with upset or accident conditions during project construction and BR-3 would further reduce any potential for leaks and spills during project construction.

In addition, during construction activities, any on-site hazardous materials that may be used, stored, or transported would be required to follow standard protocols (as determined by the U.S. EPA, DTSC, California Department of Health and Safety, and San Luis Obispo County) for maintaining health and safety. Proper use of materials in accordance with local, State, and federal requirements, and as required in construction documents, would minimize the potential for accidental releases or emissions from hazardous materials, such that they would not create a significant hazard to the public or environment. Impacts would be less than significant with the implementation of Mitigation Measures HAZ-1 and BR-3.

Operational impacts: 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. 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 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.

Project operations would not use hazardous materials and would not generate hazardous wastes. Project operations would involve the intermittent use of small amounts of non-hazardous fertilizers and pesticides. The project will be conditioned to conduct all cannabis activities in compliance with the approved Operations Plan, as well as all required County permits, State licenses, County ordinance, and State law and regulation. Impacts would 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?

There are no schools within one-quarter mile of the project site. No impact would occur.

(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 in the Setting above, the project site is not found on the 'Cortese List'. No impact would occur.

(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 within an Airport Review area. No impact would occur.

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

The project is not expected to conflict with any regional emergency response or evacuation plan. The project would not change existing circulation patterns, would not generate substantial new traffic, and would not affect emergency response routes. Refer to Section XVII, Transportation, for further discussion of emergency access and project traffic. As such, impacts would be less than significant.

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

According to CalFire's San Luis Obispo County Fire Hazard Severity Zone map, the project site is within a state responsibility area ranging from moderate to very high severity risk area for fire. The closest fire station to the project site is Pismo Beach Station 64, which is approximately seven (7) miles from the site. The project would be required to comply with the California Fire Code and County LUO (Title 16 Fire Prevention), including but not limited to, providing emergency vehicle access, and maintaining a dedicated fire-fighting water supply on-site at the project site. Pursuant to a referral letter dated May 2, 2019, from Dell Wells of CalFire, several requirements must be satisfied prior to final inspection and occupancy, including provision of: an Alternate Materials and Methods document, a minimum of 5,000-gallon water storage, a draft fire hydrant, automatic gates with power back-up, vegetation clearance, and a Fire Safety Plan. The project is required to comply with and will be conditioned to meet all current standards. Further, the project would not exacerbate existing hazards related to wildland fires, as the proposed nursery greenhouse would be built to modern fire safety standards, reducing exposure of additional people to risk of harm. Impacts would be less than significant.

Conclusion

The project is required to comply with federal, state, and County Ordinances and CalFire/San Luis Obispo Fire Department Standards, which would reduce potential impacts from hazardous materials. However, an accidental spill of hazardous materials during construction could adversely impact the surrounding environment. Implementation of Mitigation Measures HAZ-1 and BR-3 would mitigate the potential for leaks and spills during project construction.

Mitigation

HAZ-1 **Spill Response Protocol.** During all construction activities, all project-related spills of hazardous materials shall be cleaned up immediately. Appropriate spill prevention and cleanup materials shall be onsite at all times during construction.

Sources

See Exhibit A

X. HYDROLOGY AND WATER QUALITY

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	☐	☐	☒	☐
(b)	Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	☒	☐
(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:	☐	☐	☒	☐
	(i) Result in substantial erosion or siltation on- or off-site;	☐	☐	☒	☐
	(ii) Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;	☐	☐	☒	☐
	(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	☐	☐	☒	☐
	(iv) Impede or redirect flood flows?	☐	☐	☒	☐
(d)	In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	☒	☐
(e)	Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☐	☒	☐

Initial Study – Environmental Checklist

Setting

Water Quality - The Regional Water Quality Control Board's Water Quality Control Plan for the Central Coast Basin (RWQCB, 2019) describes how the quality of surface water and groundwater in the Central Coast Region should be managed to provide the highest water quality reasonably possible. The RWQCB implements the Basin Plan by issuing and enforcing waste discharge requirements to individuals, communities, or businesses whose discharges can affect water quality. Project applicants must meet these requirements by either obtaining a State Waste Discharge permit for discharges to land or a National Pollutant Discharge Elimination System (NPDES) permit for discharge to surface water.

Water Supply/Demand - The proposed project would use an existing on-site well and install a new 5,000-gallon galvanized steel water tank to supplement an existing 5,000-gallon water tank as its water sources. The project site is within the Santa Maria Basin Fringe Areas – County of San Luis Obispo Groundwater Sustainability Agencies (GSA) Coverage Areas, which is within the Arroyo Grande Subbasin. The Fringe Areas are not adjudicated, and existing and potential development must comply with the Sustainable Groundwater Management Act (SGMA) requirements. The County of San Luis Obispo GSA and the City of Arroyo Grande GSA are jointly developing a Groundwater Sustainability Plan (GSP). These GSAs are responsible for overseeing SGMA compliance, but they have not yet adopted a GSP, nor have they adopted any regulations that will define the need for any groundwater mitigation requirements. In the interim, the CEQA analysis will consider the projects potential impact on the applicable groundwater basin. The Fringe Areas are not in a state of overdraft and have not been assigned a Level of Severity under the County's Resource Management System (RMS).

Drainage -

The following relates to the project's drainage aspects:

Within the 100-year Flood Hazard designation? Yes

Closest creek? Tar Spring Creek Distance? On property, approximately 50 feet south of proposed cannabis disturbance area

Soil drainage characteristics: Well drained

The topography of the project site is nearly level with an average slope of less than 2 percent and up to 30% on the hillside south of Tar Spring Creek (outside of the proposed area of disturbance). The property is within the tributary valley of Tar Spring Creek, which is about three miles long, oriented east-west, and joins Arroyo Grande Creek about three miles upstream of Highway 101. Tar Springs Creek Valley extends from an altitude of about 360 feet Above Mean Sea Level (AMSL) to 160 feet AMSL at the confluence with Arroyo Grande Creek. The property is within the Tar Springs Creek Watershed. General project site topography directs runoff to the south into Tar Spring Creek, an intermittent stream at the southern portion of the property. The proposed areas of disturbance will be on level areas on the central portion of the project site, approximately 50 feet north of Tar Spring Creek. As described in Section VII. Geology and Soils, the soil surface is considered to have moderately low wind erosion potential.

The project site is in a drainage review area. For areas where drainage is identified as a potential issue, the Land Use Ordinance (LUO Sec. 22.52.110) includes a provision to prepare and submit at the time of application for construction permits, a drainage plan to minimize potential drainage impacts. When required, this plan would need to address measures such as: constructing on-site retention or detention basins or installing surface water flow dissipaters or incorporating soil stabilization measures. This plan would also need to show that the increased surface runoff would have no more impacts than that caused by historic flows.

For planning purposes, the flood event most often used to delineate areas subject to flooding is the 100-year flood. The County Safety Element establishes policies to reduce flood hazards and reduce flood damage, including but not limited to prohibition of development in areas of potential high flood hazard and dam inundation, discouragement of single road access into remote areas that could be closed during floods, and review of plans for construction in low-lying areas. All development located in a 100-year flood zone is subject to Federal Emergency Management Act (FEMA) regulations. The County Land Use Ordinance designates a Flood Hazard (FH) combining designation for areas of the County that could be subject to inundation by a 100-year flood or within coastal high hazard areas. Development projects within this combining designation are subject to FH permit and processing requirements, including, but not limited to, the preparation of a drainage plan, implementation of additional construction standards, and additional materials storage and processing requirements for substances that could be injurious to human, animal, or plant life in the event of flooding. The cannabis project area is located within a Flood Hazard designation. A small western portion of the proposed project outdoor cultivation area is located within the Lake Lopez dam inundation area.

Sedimentation and Erosion - Soil type, area of disturbance, and slopes are key aspects to analyzing potential sedimentation and erosion issues. The project's soil types and descriptions are listed in the previous Agriculture section under "Setting". Pursuant to LUO Section 22.52.120, the applicant will be required to prepare and submit an Erosion and Sedimentation Control Plan to minimize impacts.

Soil erodibility: Moderately Low

The plan is to be 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 (LUO Sec. 22.52.130). The Regional Water Quality Control Board is responsible for monitoring this program.

On October 17, 2017, the State Water Resources Control Board adopted the Cannabis Cultivation Policy (Cannabis Policy) and the Statewide Cannabis General Order WQ 2017-0023-DWQ (Cannabis General Order) for General Waste Discharge Requirements and Waiver of Waste Discharge Requirements for Discharges of Waste Associated with Cannabis Cultivation Activities. The Cannabis Policy and Cannabis General Order include requirements to reduce impacts of waste discharges and surface water diversions associated with cannabis cultivation. The Order requires submittal of a Site Management Plan describing BMPs to protect water quality and may also require a Site Erosion and Sediment Control Plan, Disturbed Area Stabilization Plan, and/or Nitrogen Management Plan, depending on size and site characteristics of the operation. All outdoor commercial cultivation operations that disturb an area equal to or greater than 2,000 square feet of soil are required to enroll. Compliance with the Cannabis General Order is a standard condition of approval for all cannabis permits.

Discussion

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

Construction of the project would result in approximately 2.3 acres of ground disturbance on nearly level ground and soils with moderately low erosion potential. Soils loosened during road widening and greenhouse construction could degrade water quality, if mobilized and transported off-site via water flow. Potential impacts to water quality could occur as a result of project construction and operations. However, the project will be conditioned to provide a final erosion and sedimentation control plan for review and approval prior to construction permit issuance as required by LUO Sections 22.52.100, 110, and 120. According to the Public Works Department (Memorandum from

David Grim, Department of Public Works, April 15, 2018), the property is located within a drainage review area and a drainage plan would be required prior to construction permit issuance (LUO Sec. 22.52.120). In addition, the project would disturb more than 1.0 acre and would therefore be required to enroll in coverage under California's Construction General permit and prepare a SWPPP (LUO Sec. 22.52.130). The SWPPP would identify BMPs that would be implemented to prevent soil erosion and discharge of other construction-related pollutants, such as sandbag barriers, silt fences, proper management of construction materials, and construction worker training. Project compliance with the LUO would reduce potential water quality violations and impacts would be less than significant.

(b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?

Wallace Group prepared a Water Use Evaluation memorandum (Wallace Group, 2020) for the proposed project using the Central Coast Water Quality Control Board's (CCWQCB) water use rates. As described in the memo, the proposed project would use approximately 3.88 acre-feet of water per year for cannabis cultivation as summarized in **Table 8** below (Wallace Group, 2020).

Table 8 Water Demand Estimate by Project Components

Canopy	Rate	Gross Demand (gallons/year)	Gross Demand (AFY)
87,120 sf (Outdoor cultivation)	Canopy Area x 0.03 gal/sf/day x 180 days	470,448	1.44
21,780 sf (Ancillary Nurseries)	.01 gal/sf/day x 365 days	794,970	2.44
		Total New Water Demand	**3.88 AFY**

It should be noted that the proposed 2.3-acre cultivation area for cannabis activities has historically been used for irrigated crop production. According to the 2014 SLO County Integrated Regional Water Management Plan, irrigated row crops in the South Coast Water Planning Area, which includes the Arroyo Grande area, consumed an average of about 2.12 acre-feet per year per acre. Based on the average annual water use for irrigated crops, 2.3 acres of crops would use approximately 4.88-acre feet of water annually. The proposed cannabis activities are estimated to use 3.88-acre feet per year. Therefore, the estimated water use associated with the proposed cannabis cultivation will be less than the water use associated with the historic crop production.

As discussed in the setting, the project site is within the Santa Maria Groundwater Basin Fringe Area which has not be assigned a Level of Severity by the County Resource Management System. When no LOS has been assigned it is because the groundwater basin is expected to be able to meet future demand without impacting the basin for the next 15 years.

A new 5,000-gallon, galvanized steel water tank would be installed for irrigation use and fire suppression in addition to the existing 5,000-gallon water tank. Water supply for the project would be provided by an on-site domestic groundwater well. A well pump test was conducted and demonstrated that the existing well can produce approximately 33.8 gallons per minute with a recovery time of four hours (Mello & Son's 2021). The report indicates that the well can yield enough water to support the proposed cultivation water demand of 3.88-acre feet per year.

In compliance with LUO Section 22.40.050.E.3, 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.

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.

The project would not substantially decrease groundwater supplies. Further, the project would not result in the addition of impervious surfaces that would interfere substantially with groundwater recharge, and the project site is not located over an impacted groundwater basin. Impacts to groundwater supplies and recharge would be less than significant.

(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?

The project would involve reuse of 2 acres of land currently used for agriculture for outdoor cannabis cultivation, reuse of an existing greenhouse nursery, installation of a new nursery greenhouse, access road improvements and a new parking area. The site is nearly level, and the soils are not highly erodible. However, construction activities would result in loose soil that could be mobilized. The project would be conditioned to provide an erosion and sedimentation control plan for review and approval prior to construction permit issuance as required by LUO Sections 22.52.100, 110, and 120. Pursuant to the recommended project conditions of approval provided in a Public Works referral memo dated June 19, 2018, from David Grim, the applicant would be required to submit sedimentation control plans in accordance with the recommended Best Management Practices (BMPs) as listed in Table 4.10 of the "Arroyo Grande Creek Erosion, Sedimentation and Flooding Alternatives Study" (Swanson Hydrology & Geomorphology, January 2006), and county Public Improvement Standards. These BMPs shall include and not be limited to:

1. Dispersing and/or slowing runoff with swales, infiltration trenches or similar.
2. Controlling concentrated runoff with curb usage or culverts or similar.
3. Soil stabilization with decomposed granite, retaining walls or slough walls or similar.
4. Sediment retention with staged catch or retention basins, vegetated filter strips or similar.

In addition, the project would disturb more than 1.0 acre and will therefore be required to enroll in coverage under California's Construction General permit and prepare a SWPPP (LUO Sec. 22.52.1230). The SWPPP would identify BMPs that would be implemented to prevent soil erosion and discharge of other construction-related pollutants, such as sandbag barriers, proper management of construction materials, and construction worker training. Therefore, the project would result in less than significant impacts related to soil and erosion and changes to drainage patterns.

(c-ii) *Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?*

The project would involve reuse of 2 acres of nearly level land currently used for agriculture for outdoor cannabis cultivation, reuse of an existing greenhouse nursery, installation of a new nursery greenhouse, access road improvements and a new parking area. The project would result in 12,230 square feet of new impervious surfaces. A minimal amount of impervious surface is proposed in areas that have historically been disturbed and the majority of the property would remain as a vegetated/cultivated area that would absorb runoff. However, the property is located in a drainage review area; therefore, it would be subject to standard County requirements for drainage, sedimentation and erosion control for construction and permanent use. Compliance with these requirements would ensure that impacts related to surface runoff remain less than significant.

(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?

The property would primarily remain in an open, natural condition that would accommodate storm flows and would not exacerbate runoff that would affect any nearby existing or planned stormwater drainage systems. However, the project includes more than 2,000 square feet of outdoor cultivation area; therefore, the applicant would be required to enroll in and comply with the Cannabis General Order to reduce impacts of waste discharges and surface water diversions associated with cannabis cultivation. In addition, the project would disturb 1.0 acre or more and the applicant must enroll for coverage under California's Construction General Permit, which may require preparation of a project Stormwater Control Plan. Compliance with these requirements would ensure that impacts related to surface runoff and polluted runoff remain less than significant.

(c-iv) Impede or redirect flood flows?

The project site is located in a 100-year flood hazard area. The proposed cultivation area has been designed to be set back 50 feet north of Tar Spring Creek. The proposed greenhouse will be placed on a pier system which has been designed by a structural engineer. The existing and proposed greenhouses will be retrofitted and constructed to be above the Base Flood Elevation of the site. Pursuant to the recommended project conditions of approval provided in a Public Works referral memo dated April 15, 2019, from David Grim, the applicant will be required to submit complete drainage plans and a drainage report for review and approval in accordance with Section 22.52.110 (Drainage) of the County Land Use Ordinance (LUO). Pursuant to LUO Section 22.52.150.B.2., the standards for drainage plans require that projects include design provisions to retain natural drainage patterns.

Pursuant to LUO Section 22.14.060, the applicant must ensure all new grading and structures comply with County flood hazard construction standards. Specifically, the proposed structures will be required to comply with LUO Sections 22.14.060.D.1.b, c., h., and j., and 22.14.060.D.2, which require: structures to be anchored to prevent collapse, lateral movement or flotation; service facilities such as electrical and heating equipment to be floodproofed or constructed a minimum of one-foot above the 100-year storm flood profile level for the site; fully enclosed areas to be designed to automatically equalize hydrostatic flood forces on exterior walls by allowing for the entry and exit of floodwaters; structures shall be elevated and floodproofed to a minimum of 1-2 feet above the 100-year storm flood profile level; and storage containers shall be firmly anchored to prevent flotation or readily removable from the area within the time available after flood warning. Pursuant

to California Building Code, ASCE 7 (Minimum Design Loads for Building and Other Structures), and ASCE 24 (Flood Resistant Design and Construction), the proposed pier foundation design will need to meet criteria to resist and transfer load combinations including gravity, wind, seismic, and flood from the structure, through the pier foundation, to the soil. The main goals of these requirements for these types of structures are: to ensure that the structures do not impede floodwaters (do not cause floodwaters to rise), to prevent the collapse of the structures, and to prevent debris of a collapsed structure and/or its breakaway components from entering the floodway.

Pursuant to the recommended project conditions of approval and at the time of application for construction permits, sedimentation control plans will be submitted to demonstrate incorporation of Best Management Practices (BMPs) as listed in Table 4.10 of the "Arroyo Grande Creek Erosion, Sedimentation and Flooding Alternatives Study (Swanson Hydrology & Geomorphology, 2006). The BMPs shall include and not be limited to dispersing and/or slowing runoff with swales, infiltration trenches or similar; controlling runoff with curb usage or culverts or similar; soil stabilization with decomposed granite, retaining walls or slough walls or similar; and sediment retention with staged catch or retention basins, vegetated filter strips or similar. Therefore, compliance with the LUO and conditions of approval would ensure that the project would not impede or redirect flood flows. Impacts would be less than significant.

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

The project site is in a 100-year floodplain based on the County Safety Element and will be conditioned to comply with County requirements for construction and operation in a Flood Hazards area. Pursuant to project conditions of approval provided in a Public Works referral memo dated April 15, 2019, from David Grim, the applicant will be required to submit projects plans that depict the 100-year flood hazard boundary and submit evidence to the Department of Public Works that all new grading and structures comply with County flood hazard construction standards in County LUO Section 22.14.060. Specifically, Section 22.14.060.D.2. prohibits the storage or processing of materials that in time of flooding are buoyant, flammable, or explosive; that could be injurious to human, animal, or plant life; or that may unduly affect floodway capacity or unduly increase flood heights. At the time of application for construction permits, project plans will be submitted to demonstrate that the existing and proposed structures will be designed and constructed to be above the Base Flood Elevation of the site. Therefore, adherence to the conditions of approval and compliance with the LUO would ensure that the project construction and operation would not present potential flooding hazards to life and property, minimize effects of development on drainage ways and watercourses, nor would project construction and operations risk release of pollutants due to project inundation. Impacts would be less than significant.

The project property is not located in an area with potential for inundation by a tsunami (DOC, 2019), nor is it located near any impounded bodies that could present hazards from seiches. As described in the Setting, a small western portion of the proposed outdoor cultivation area is within the Lopez Lake dam inundation area (County of San Luis Obispo Online Land Use Viewer). The existing access road is not within the dam inundation area and egress to higher elevations would remain unaffected via west bound Huasna Road. In accordance with the County of San Luis Obispo Safety Element, the San Luis Obispo County Office of Emergency Services would implement the County's Dam and Levee Failure Evacuation Plan. In the event of a dam failure, the Early Warning Siren System would be used to notify the public to move at least 2 miles from Arroyo Grande Creek. Therefore, impacts would be less than significant.

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

As described in the Setting above, the project will be conditioned to comply with relevant provisions of the Central Coast Regional Water Quality Control Board Basin Plan, which require that the applicant obtain any necessary discharge permits from the RWQCB. The project will be conditioned to comply with relevant provisions of the Central Coast Regional Water Quality Control Board Basin Plan. Therefore, the project would not conflict with or obstruct implementation of the Basin Plan.

As described in the Setting above, the GSAs have not adopted a Groundwater Sustainability Plan or any regulations or mitigations to be implemented under a Groundwater Sustainability Plan. It is anticipated that the GSAs will adopt regulations governing metering and reporting. The project's estimated annual water demand is 3.88 acre-feet per year (AFY). The project will be required to meter and monitor water use as part of the County's quarterly monitoring program for cannabis operators. Therefore, potential impacts related to obstructing implementation of a water quality control plan or sustainable groundwater management plan would be less than significant.

Conclusion

Adherence to existing regulations would reduce potential impacts to surface water quality during construction and operation of the project to less than significant. Implementation of standard flood hazard zone construction and operational requirements would reduce potential impacts to less than significant. Potential impacts to groundwater would be less than significant and no mitigation measures are required.

Sources

See Exhibit A.

XI. LAND USE AND PLANNING

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Physically 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?	☐	☐	☒	☐

Setting

The proposed project is subject to the following Planning Area Standard(s) as found in the County's Land Use Ordinance. The LUO was established to guide and manage the future growth in the County in accordance with the General Plan, to regulate land use in a manner that will encourage and support orderly development and beneficial use of lands, to minimize adverse effects on the public resulting from inappropriate creation, location, use or design of buildings or land uses, and to protect and enhance significant natural, historic, archeological, and scenic resources within the county. The LUO is the primary tool used by the County to carry out the goals, objectives, and policies of the County General Plan.

The County Land Use Element (LUE) provides policies and standards for the management of growth and development in each unincorporated community and rural areas of the county and serves as a reference point and guide for future land use planning studies throughout the county. The LUE identifies strategic grown principles to define and focus the county's pro-active planning approach and balance environmental, economic, and social equity concerns. Each strategic growth principle correlates with a set of policies and implementation strategies that define how land will be used and resources protected. The LUE also defines each of the 14 land use designations and identifies standards for land uses based on the designation they are located within. The project site is designated Agricultural and is currently developed with a single-family residence and accessory structures and is used for agricultural uses.

The inland LUE also contains the area plans of each of the four inland planning areas: Carrizo, North County, San Luis Obispo, and South County. The area plans establish policies and programs for land use, circulation, public facilities, services, and resources that apply "areawide", in rural areas, and in unincorporated urban areas within each planning area. Part three of the LUE contains each of the 13 inland community and village plans, which contain goals, policies, programs, and related background information for the County's unincorporated inland urban and village areas. The project is in the Agricultural land use category and within the San Luis Bay Inland Sub Area South (San Luis Bay Planning Impact Area B) of the South County Planning Area. LUO Section 22.98.050.A.1 requires that the application be referred to the City of Arroyo Grande for review and comment. LUO Section 22.98.050.A.2 requires that the County shall address potential impacts, including cumulative impacts, that are associated with impacts to water quantity and quality, drainage, erosion and downstream sedimentation, and traffic and circulation as critical subjects for additional evaluation as part of the environmental review process.

Initial Study – Environmental Checklist

Discussion

(a) Physically divide an established community?

The project site is primarily undeveloped/crop production, with one existing single-family residence in an agricultural and rural area. It is not located near an established community and the operation's proposed footprint would not create any barriers. As such, implementation of the project would not physically divide an established community. Impacts would be less than significant.

(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?

The proposed project was reviewed for consistency with policy and regulatory documents relating to the environment and appropriate land use (e.g., County LUO, etc.). Referrals were sent to outside agencies to review for policy consistencies (e.g., City of Arroyo Grande, California Fish and Wildlife for the Fish and Game Code, etc.). The City of Arroyo Grande provided a list of items which have been considered during project processing (letter from Matthew Downing on April 19, 2019). In compliance with County LUO Section 22.98.050.A.2, potential project impacts to water quantity and quality, drainage, erosion and downstream sedimentation, and traffic and circulation have been addressed in Section X. Hydrology and Water Quality, and Section XVII. Transportation. The project was found to be consistent with these documents and outside agency comments (refer also to Exhibit A on reference documents used).

The project would be required to adhere to all regulations and development standards as listed in the County LUO Chapter 22.40. This includes the receipt of all necessary permits, submittal of plans, adherence to application requirements, and limitations on use and cultivation.

The project is not within or adjacent to a Habitat Conservation Plan area. Since the project proposes cultivation, it is consistent and compatible with the surrounding uses for agriculture and rural residential.

Conclusion

No significant land use and planning impacts are anticipated, and no mitigation measures are necessary.

Sources

See Exhibit A.

XII. MINERAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(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?	☐	☐	☐	☒

Setting

The San Luis Obispo County Mineral Designation Maps indicate the site is not located in a Mining Disclosure Zone or Energy/Extractive Area. The nearest EPA designated mine is one parcel east of the leased area.

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?

(a and b)The project is not located within a designated mineral resource zone or within an Extractive Resource Area combining designation. Therefore, the project would not result in the preclusion for mineral resource availability.

Conclusion

The project site is not located within an area of known mineral resources. There would be no impact.

Sources

See Exhibit A.

XIII. NOISE

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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 project is located within an agricultural area and based on the Noise Element's projected future noise generation from known stationary and vehicle-generated noise sources, the project is within an acceptable threshold area. The project is not within close proximity of loud noise sources other than road noise from Huasna Road. The nearest off-site sensitive receptor to the project site is a single-family residence located approximately 205 feet north of the existing greenhouse and over 300 feet north of the proposed outdoor cultivation area.

The project is subject to the County's standards for exterior noise provided in LUO Section 22.10.120 (Table 10). Section 22.10.120 B. sets forth standards that apply to sensitive land uses that include (but are not limited to) residences, as shown in Table 9.

Table 9 Maximum Allowed Exterior Noise Level Standards

Sound Levels	Daytime 7 a.m. to 10 p.m.	Nighttime[1] 10 pm. To 7 a.m.
Hourly Equivalent Sound Level (Leq, dB)	50	45
Maximum Level, dB	70	65

1. Applies only to uses that operate or are occupied during nighttime hours.

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?

Construction-related Impacts: Construction activities would involve minimal use of heavy equipment for the delivery and movement of materials on the project site. The use of construction machinery would be a source of noise and vibration. The nearest off-site sensitive receptor to the proposed project site is a single-family residence located approximately 205 feet north of the proposed outdoor cultivation area. The project would require minimal construction equipment and construction-related noise impacts would be temporary and localized. County regulations (County Code Section 22.10.120.A) limit the hours of construction to daytime hours between 7:00 AM and 9:00 PM weekdays, and from 8:00 AM to 5:00 PM on weekends. The project would be required to adhere to County regulations and therefore construction impacts would be less than significant.

Operational Impacts: The project involves 2 acres of outdoor cultivation and 21,780 square feet of greenhouse nursery. The nearest off-site sensitive receptor to the proposed greenhouse operation is a single-family residence located approximately 205 feet north of the existing greenhouse. The greenhouses will have ventilation measures (i.e. fans and carbon scrubbers) that may generate noise. Noise resulting from the use of wall- or roof-mounted HVAC and odor mitigation equipment would be expected to generate stationary noise levels of approximately 53 dBA at 25 feet from the source. For purposes of this analysis, it is assumed that both systems are operating simultaneously and 24 hours per day. Noise attenuates at a rate of 6 dB per doubling of distance. The greenhouses would be set back a minimum of 32 feet from the closest eastern property line. Therefore, project-related noise sources will be perceived to produce slightly less than 53 dBA at the closest eastern property boundary and 35 dBA at the nearest off-site receptor. The resulting noise is anticipated to be below the maximum allowable nighttime level (65 dB) and above the hourly average equivalent noise level (45 dB) at the eastern property line.

As discussed in the requested ordinance modifications in the Project Description and discussion (b) Section II. Agriculture and Forestry Resources, the applicant intends to lease the adjacent property to the east. Therefore, lease of the adjacent property would provide an additional buffering distance for noise attenuation and impacts would be less than significant with implementation of project conditions of approval. The project will be conditioned such that cannabis activities may not be established unless and until evidence that the permittee has entered into lease agreements for the properties to the east and west of the project site. If either lease is terminated, the project will be required to either 1) cease all cannabis related activities, or 2) re-design the project to satisfy the required setbacks from all surrounding properties.

Operation of the project would not expose people to significant increased levels in the long term. Impacts would be less than significant.

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

Earthwork for project development would require improvement of the access road and installation of the new nursery greenhouse and security building. Construction activities can sometimes involve the use of heavy equipment for the delivery and movement of materials on the project site. The use of construction machinery would be a source of noise and vibration. Construction-related noise and vibration impacts would be temporary and localized and would not expose persons to or generate excessive levels of groundborne vibration or noise. County regulations (County Code Section 22.10.120.A) limit the hours of construction to daytime hours between 7:00 AM and 9:00 PM weekdays, and from 8:00 AM to 5:00 PM on weekends. The project would be required to adhere to County regulations and therefore groundborne noise and vibrational construction impacts would be less than significant.

(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 an Airport Review designation as previously discussed. Therefore, aviation-related noise impacts are not applicable. No impact would occur.

Conclusion

No significant noise impacts are anticipated, and no mitigation measures are necessary.

Sources

See Exhibit A

XIV. POPULATION AND HOUSING

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(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?	☐	☐	☐	☒

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. As of 2018, per the Department of Finance's Population and Housing estimates, the County of San Luis Obispo contains approximately 280,101 persons, and approximately 121,661 total housing units (DOF 2018).

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)?

The proposed project does not involve the construction of new housing. The project proposes cannabis activities that would employ up to five (5) people part-time. The increase in employment opportunities is not anticipated to result in an indirect increase in population, as it is anticipated that the employees would be existing residents of San Luis Obispo County. Therefore, the project is not anticipated to induce substantial population growth. No new infrastructure is proposed. Therefore, the project would not induce substantial population growth. Impacts would be less than significant.

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

The project would not displace existing people or housing and no housing is proposed. The existing single-family residence would be maintained. Because no displacement would occur that necessitates construction of replacement housing elsewhere, there would be no impact.

Conclusion

The project would not result in a need for a significant amount of new housing and would not displace existing housing. The project would be conditioned to provide payment of the housing impact fee for commercial projects. No significant population/housing impacts are anticipated, and no mitigation measures are necessary.

Sources

See Exhibit A.

XV. PUBLIC SERVICES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(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?	☐	☐	☒	☐
	Police protection?	☐	☐	☒	☐
	Schools?	☐	☐	☐	☒
	Parks?	☐	☐	☐	☒
	Other public facilities?	☐	☐	☐	☒

Setting

The project area is served by the following public services/facilities:

Police: County Sheriff — Location: Oceano (Approximately 7 miles to the west)

Fire: Cal Fire (formerly CDF) — Hazard Severity: Moderate to Very High — Response Time: 5 to 10 minutes

Location: Station 64 in Pismo Beach

School District: Lucia Mar School District

The nearest police station is the Arroyo Grande City Police Department, located approximately four miles to the southwest. The nearest County Sheriff Station is located in Oceano, approximately seven miles to the southwest. The nearest fire station is the Pismo Beach Fire Station #64, located approximately seven miles to the northwest. The response time from the County Fire/Cal Fire station to the project site is approximately 5 to 10 minutes.

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 closest fire station to the project site is the Pismo Beach Fire Station #64, which is approximately seven miles northwest of the site. The California Department of Forestry and Fire Protection (CalFire) provides mutual and automatic aid supporting the County of San Luis Obispo. According to the County of San Luis Obispo General Plan Safety Element Emergency Response Map, average emergency response time to the project site is between 5 and 10 minutes (San Luis Obispo County, 1999). According to CalFire's San Luis Obispo County Fire Hazard Severity Zone map, the project site is within a "high" severity risk area for fire.

The project was reviewed by CalFire, and a referral response letter was received (May 8, 2019, Dell Wells, Fire Captain/Inspector), which describes requirements for the applicant to implement to comply with CalFire standards. Access to the site would be from Huasna Road via an easement along the existing driveway to the adjacent property at 2496 Huasna Road (APN 047-271-032). As a condition of approval, the access would be improved and incorporate all required CalFire standards for access road base improvements including hammerhead turnaround clearance for emergency vehicles at the proposed parking area north of the existing greenhouse. A new 5,000-gallon water tank would be installed in addition to the existing 5,000-gallon tank. Based on the limited amount of development proposed, the project would not result in the provision of, or need for, new or physically altered fire protection; the construction of which could cause significant environmental impacts. Therefore, this impact would be less than significant.

Police protection?

Although the nearest police station is the Arroyo Grande City Police Department, located approximately four miles to the southwest, the project site is in the existing service range for the County Sheriff Department. The applicant has prepared a Security Plan which is subject to the review and approval of the County Sheriff's Department. Incorporation of security techniques such as the cameras, emergency lighting, and fencing would serve to reduce the need for police/sheriff enforcement. Based on the limited amount of development proposed, the project would not result in the provision of, or need for, new or physically altered police protection facilities, the construction of which could cause significant environmental impacts. Impacts related to police protection facilities would be less than significant.

Schools? Parks? Other public facilities?

As discussed in Section XIV, *Population and Housing*, the project does not include the construction of housing or any habitable structures and would not increase population. As such, the project would not generate new demand for schooling, park services, or other governmental facilities. Since the project would not generate development or changes in land use intensities that would change or increase existing demand, there would be no impact on schools, parks, or other governmental facilities.

Conclusion

No significant public service impacts are anticipated, and no mitigation measures are necessary.

Initial Study – Environmental Checklist

Sources

See Exhibit A.

XVI. RECREATION

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(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?	☐	☐	☐	☒

Setting

The County's Parks and Recreation Element does not show a potential trail on or near the proposed project site. The project is not proposed in a location that will affect any trail, park, recreational resource, coastal access, and/or Natural Area.

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?

As discussed in Section XIV, Population and Housing, the project is not a residential project or large-scale employer and would not result in a population increase. Therefore, the project would not 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. There would be no impact.

(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 does not include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment. There would be no impact.

Conclusion

No significant recreation impacts are anticipated, and no mitigation measures are necessary.

Sources

See Exhibit A.

XVII. TRANSPORTATION

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

Setting

The County Department of Public Works maintains updated traffic count data for all County-maintained roadways. In addition, Traffic Circulation Studies have been conducted within several community areas using traffic models to reasonably simulate current traffic flow patterns and forecast future travel demands and traffic flow patterns. These community Traffic Circulation Studies include the South County Circulation Study, Los Osos Circulation Study, Templeton Circulation Study, San Miguel Circulation Study, Avila Circulation Study, and North Coast Circulation Study. The California Department of Transportation (Caltrans) maintains annual traffic data on state highways and interchanges within the county.

The project site currently has one residence with existing agricultural operations and generates a very low volume of traffic. The project is located along Husana Road. Huasna Road is accessed from Highway 227 which connects to Branch Street in Arroyo Grande. Based on the South County Area Plan, several roads within the general vicinity have been identified as having congestion concerns or needing improvements including Highway 227, Lopez Drive, and Huasna Road (County of San Luis Obispo, 2014).

In 2013, SB 743 was signed into law with the intent to "more appropriately balance the needs of congestion management with statewide goals related to infill development, promotion of public health through active transportation, and reduction of greenhouse gas emissions" and required the Governor's Office of Planning and Research (OPR) to identify new metrics for identifying and mitigating transportation impacts within CEQA. As a result, in December 2018, the California Natural Resources Agency certified and adopted updates to the State CEQA Guidelines. The revisions included new requirements related to the implementation of SB 743 and identified vehicle miles traveled (VMT) per capita, VMT per employee, and net VMT as new metrics for transportation analysis under CEQA (as detailed in Section 15064.3 [b]). As of July 1, 2020, the newly adopted VMT criteria for determining significance of transportation impacts has been implemented statewide.

The County's Framework for Planning (Inland) includes the Land Use and Circulation Elements of the County of San Luis Obispo General Plan. The Framework establishes goals and strategies to meet pedestrian circulation needs by providing usable and attractive sidewalks, pathways, and trails to establish maximum access and connectivity between land use designations. Due to the remote location of the project site, there are no pedestrian, bicycle, or public transit facilities serving the project site.

Discussion

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

The project includes up to two acres of outdoor cannabis cultivation and 21,780 square feet of nursery greenhouse. As discussed in Section III, Air Quality, the Department of Public Works estimated that the project is expected to generate 3 average daily trips (Grim, 2018). The project will be required to comply with the Recommended Project Conditions of Approval provided by the Department of Public Works. The project would not involve construction or operational activities that would adversely affect the circulation system, including transit, bikeway, pedestrian, or roadway facilities, or conflict with a program, plan, ordinance, or policy addressing these facilities. Impacts would be less than significant.

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

In December 2018, the Governor's Office of Planning and Research (OPR) released a technical advisory titled *Technical Advisory on Evaluating Transportation Impacts in CEQA* (OPR guidelines), which contains recommendations regarding the assessment of vehicle miles travelled (VMT). VMT refers to the amount and distance of automobile travel attributable to a project. As noted in the OPR guidelines, agencies are directed to choose metrics that are appropriate for their jurisdiction to evaluate the potential impacts of a project in terms of VMT. The change to VMT was formally adopted as part of updates to the CEQA Guidelines on December 28, 2018. The deadline for adopting policies to implement SB 743 and the provisions of CEQA Guidelines section 15064.3(b) was July 1, 2020. The County has not yet adopted VMT policies; therefore, the potential VMT impacts from implementation of the project were evaluated based on guidance and screening criteria presented in the OPR guidelines. The OPR guidelines indicate that projects that generate or attract fewer than 110 trips per day generally may be presumed to cause a less-than-significant transportation impact. Therefore, for the purpose of this analysis, the project would potentially conflict or be inconsistent with State CEQA Guidelines section 15064.3(b), and potentially result in a significant impact if it would generate more than 110 permanent trips per day.

As discussed in Section III, Air Quality, the project is estimated to generate 3 average daily trips. The project would be approximately 3.5 miles east of Highway 101. Based on the screening criteria of 110 trips per day, the project would not result in a substantial increase in VMT that would conflict or be inconsistent with State CEQA Guidelines Section 15074.3(b) and impacts would be less than significant.

(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 will improve the existing access road to Huasna Road. A project referral package was sent to the County Public Works Department and their response indicates the project would generate 3 new average daily trips (Grim, 2018). The Public Works Department identified that the site access driveway apron connection would need to be improved to County Public Improvement Standards and standard conditions of approval are incorporated into the project design to implement the

improvements. Public Works recommended a condition of approval that all other existing property connections to Huasna Road (except for the primary and secondary access driveways) shall be removed, scarified, revegetated, and fenced (or otherwise blocked) to prohibit access. In addition, Public Works recommended an on-going condition of approval (valid for the life of the project) that would require that any gate constructed on the driveway to the site shall be a minimum of 75-feet from the traveled way of any Collector or Arterial Road. Adherence to the conditions of approval and County Public Improvement Standards would ensure that the project would not include any features that would delay, disrupt, or result in unsafe roadway design conditions, nor would the project substantially increase hazards due to a geometric design feature or incompatible use. Therefore, impacts would be less than significant.

(d) Result in inadequate emergency access?

As discussed in the Project Description and Section XV. Public Services (a), access to the site would be from Hanson Road via an easement along the existing driveway to the adjacent property at 2496 Huasna Road. The project would install a hammerhead turnaround and access road improvements would be constructed adhering to County of San Luis Obispo/CalFire design specifications, which would ensure that access to the project is adequate for emergency response vehicles. Impacts related to emergency access would be less than significant.

Conclusion

The project's transportation impacts would be less than significant, and no mitigation measures are necessary.

Sources

See Exhibit A.

XVIII. TRIBAL CULTURAL RESOURCES

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(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:				
(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	☐	☐	☒	☐
(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.	☐	☐	☒	☐

Setting

The project site area is situated east of the contemporary community of Arroyo Grande, along on a level valley floor southeast of Arroyo Grande Valley. The project site area is located south of the boundary of the Obispeño or Northern Chumash (to the south) and speakers of the putative Playano language and Salinan groups that resided to the north, near Big Sur.

Consistent with AB 52 consultation requirements, outreach to Native American tribal groups including Salinan, Xolon Salinan, *Yak Tityu Tityu* - Northern Chumash, and the Northern Chumash Tribal Council was conducted by County Staff. A representative from the Northern Chumash Tribal Council (NCTC) replied on June 20, 2019. The NCTC requested a records search and archaeological reports for the property.

Pursuant to section 22.94.040 of the County Land Use Ordinance, a preliminary site survey for potential archaeological resources was conducted (CCARC, 2020) because the proposed cultivation would be located on slopes less than 10 percent and within 100 feet of a "blue line stream" (Tar Springs Creek) indicated on a the USGS 7.5-minute topographic quadrangle map. Proximity to Tar Spring Creek could be indicative that the site may contain evidence of prehistoric human occupation.

Discussion

(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.*

(ai-aii.) As discussed in Section V. Cultural Resources, CCARC requested a records search and conducted a Cultural Resources Survey of the site and surrounding area. Although the records search indicated that cultural resources are located on or near the project disturbance area, CCARC performed a GIS analysis and concluded that the resource sites are not located within the proposed site disturbance area. The field survey did not reveal any prehistoric or historic cultural materials within the proposed site disturbance area (Azevedo, 2020).

As discussed in the Setting and pursuant to the requirements of AB 52, the County conducted Native American consultation for the project to identify potential concerns or issues associated with Native American cultural resources within the project vicinity on June 18, 2019. On June 20, 2019, an NCTC representative replied to the request for consult and requested a records search and archaeological reports for the property. On January 28, 2021, the representative indicated that the NCTC supported CCARC's Cultural Resources Survey recommendations. Therefore, the County has satisfied the requirements of AB 52 for the project.

No tribal cultural 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 within the proposed area of disturbance. The County has satisfied the requirements of AB 52 for the project. Impacts would be less than significant.

Conclusion

Per County LUO Section 22.10.040, if during any future grading and excavation, tribal and cultural resources are unearthed, the Department of Planning and Building shall be notified, work in the area shall halt until these materials can be examined by a qualified archaeologist and consulting tribes, and appropriate

recommendations shall be made to mitigate impacts. No significant impacts to tribal cultural resources are expected to occur, and no additional mitigation measures are necessary.

Sources

See Exhibit A.

XIX. UTILITIES AND SERVICE SYSTEMS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(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?	☐	☐	☒	☐
(b)	Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☐	☒	☐
(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?	☐	☐	☐	☒
(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)	Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	☐	☐	☒	☐

Setting

The setting for water supply is discussed in Section X. Hydrology and Water Quality and concludes that there is sufficient water supply within the Arroyo Grande Subbasin of the Santa Maria Basin Fringe Areas; that the project will rely on on-site existing wells; and the project will install a new 5,000-gallon water storage tank for fire suppression and irrigation.

Project development in unincorporated areas in the County typically includes onsite wastewater treatment systems. Portable toilets are proposed and there would be no new wastewater treatment systems.

The County Public Works Department will review any pre- and post-project stormwater runoff controls. There are no changes proposed to the site's storm water drainage patterns and the project will be required to comply with all stormwater regulations and permits, as discussed in Section X. Hydrology and Water Quality.

The nearest landfill is the Cold Canyon Landfill near the Community of Edna. The site will continue to be used as a farm or crop production and includes a new compost area and waste storage/trash area that will be served by a local waste management company and hauled to the Cold Canyon Landfill. The site will use existing electrical power and telecommunications systems, and no natural gas. As a result, no new facilities will be required for the area.

Discussion

(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?*

Wastewater. The project does not include the construction or expansion of wastewater treatment facilities and no impact would occur.

Water. The project involves the installation of a new 5,000-gallon water supply tank to be supplied by the existing well. The environmental impacts of the proposed water supply have been evaluated throughout this Initial Study as part of the project description, and no significant effects beyond those as evaluated would occur. Impacts would be less than significant.

Stormwater. The project does not include the construction or expansion of stormwater facilities and no impact would occur.

Electric Power. The project does not include the construction or expansion of electric facilities and no impact would occur.

Natural Gas. The project does not include the construction or expansion of natural gas facilities and no impact would occur.

The project does not include the construction or expansion of wastewater, storm water drainage, natural gas or telecommunications facilities, and no impact would occur. Water supply was discussed in Section X. Hydrology and Water Quality and does not require any new County-level facilities.

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

As discussed in Section X, Hydrology and Water Quality, the proposed project would use approximately 3.88 AFY for cannabis cultivation. The project will obtain water from an existing onsite well. The well pump test and report concluded that the well produces sufficient water to meet the proposed demand. As discussed in Section X., the project is within the Santa Maria Valley Groundwater Basin Fringe Area which has not been assigned a Level of Severity by the County Resource Management System. Therefore, the basin is assumed to be able to satisfy demand for the next 15 years without impacting the basin. The project would be consistent with existing and planned levels and types of development in the project area and would not create new or expanded water entitlements. The project will be conditioned such that water usage will be metered and reports will be provided to the Planning and Building Department demonstrating that the project does not exceed the projected water demand 3.88 AFY. Based on the application information and the standard conditions of approval, impacts would be less than significant.

(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?

The project would not be served by a wastewater treatment provider. Therefore, no impact would occur.

(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?

As discussed in the Setting, the nearest landfill to the site is the Cold Canyon Landfill, located approximately 10 miles to the north near the Community of Edna. This landfill has a remaining permitted capacity of 13,000,000 cubic yards and can accept 1,650 tons per day (CalRecycle, 2021). Solid waste generated during construction and operation of the project would not be a substantial amount and would represent a small fraction of the daily permitted tonnage of this facility. The applicant will work with the local solid waste disposal company to handle general non-cannabis refuse as needed. The on-site compost pile and in-ground tilling would handle the cannabis-related plant waste. Therefore, the project would not generate solid waste in excess of local standards, or the capacity of the local infrastructure and impacts would be less than significant.

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

No applicable federal solid waste regulations would apply to the project. At the State level, the Integrated Waste Management Act mandates a reduction of waste being disposed and establishes an integrated framework for program implementation, solid waste planning, and solid waste facility and landfill compliance. San Luis Obispo County has access to adequate permitted landfill capacity and reduction, reuse, and recycling programs to serve the proposed project. Construction and operational waste generated as a result of the project would require management and disposal in accordance with local and state regulations. Cannabis related waste is not permitted to be transported off-site and will be addressed on-site through composting and tilling back into the cultivation area. The project would not conflict with or impede implementation of such programs. Impacts would be less than significant.

Conclusion

Potential impacts to utilities and service systems would be less than significant. No mitigation measures are necessary.

Sources

See Exhibit A.

XX. WILDFIRE

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
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

As discussed in Section IX. Hazards and Hazardous Materials, the project site is within a mixed "moderate" (flat area) to "high" (creek area) to "very high" (hillside) severity risk area for fire. The County contracts with the California Department of Forestry and Fire Protection for fire services. The closest fire station to the project site is Pismo Beach Station No. 64, which is approximately seven (7) miles from the site. According to San Luis Obispo General Plan Safety Element Emergency Response Map, average emergency response time to the project site is between 5 and 10 minutes (San Luis Obispo County 1999).

Discussion

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

The project would not conflict with any regional emergency response or evacuation plan. The project would not change existing circulation patterns, would not generate substantial new traffic, and would not affect emergency response routes. Refer to Section XVII. Transportation, for further discussion of emergency access and project traffic. Impacts would be less than significant.

(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?

Wildfire risk is dependent upon existing environmental conditions, including but not limited to the amount of vegetation present, topography, and climate. The project site is located within a rural area surrounded by open fields, rural residential, agriculture and sloping hillsides. Climate in the area is characterized as Mediterranean, with cool wet winters and hot dry summers. The proposed project is within a mixed "moderate" (flat area) to "high" (creek area) to "very high" (hillside) severity risk area for fire zone. The project would be required to be built in compliance with the applicable fire standards provided in the CalFire referral letter (Wells, 2019), including provision of adequate emergency access and fire water supply. In addition, a vegetation maintenance buffer will be required, and the project construction and operations will not be located within the high or very high severity risk areas on the property. The project includes provision of a hammerhead turnaround for fire trucks and is providing a second 5,000-gallon water storage tank. These features would avoid exacerbation of wildfire risks and reduce the exposure of project occupants to risks associated with wildfire. Therefore, the project would have a less than significant impact regarding exposure of 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?

Access improvements on site would include installation of an access gate at the entry to the proposed cultivation area, and expansion of the existing access road to 18 feet wide per CalFire requirements. The site access road would include a hammerhead turnaround for fire department/emergency services access. The development footprint is less than five percent slope throughout, therefore only all-weather roads are proposed. The project would also include a 5,000-gallon water storage tank for fire suppression. Installation and maintenance of these project components would not exacerbate fire risk or result in temporary or ongoing impacts to the environment. Impacts would be less than significant.

(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?

As designed, the project would be entirely located on flat, unvegetated areas currently in crop and agricultural uses and would be required to meet County standards for drainage and stormwater. None of the operations would be located on slopes. The soils on the southern portion of the property (south of Tar Spring Creek and adjacent/south of the proposed construction and operations areas) are classified as having high potential for landslide (San Luis Obispo County Department of Planning and Building online Land Use View mapping application). In addition, the proposed development could contribute to post-fire debris which could cause changes to runoff and/or drainage. Therefore, people or structures could be exposed to significant risks as a result of runoff, post-fire slope instability, or drainage changes. Impacts would be less than significant with implementation of mitigation measure WF-1.

Conclusion

All project improvements would be in accordance with County Ordinances and CalFire/San Luis Obispo Fire Department Standards. Impacts would be less than significant, and no mitigation measures are necessary.

Initial Study – Environmental Checklist

Mitigation

WF-1 **Post-Fire Protection Measure**

Following a major fire on or nearby the site, the applicant shall initiate consultation with County Planning and Building and Public Works. The County will coordinate with CalFire to evaluate the post-fire site condition and adjacent slope's potential for post-fire slope instability. If CalFire and/or County Public Works determines the site condition to be hazardous and/or adjacent slopes to be unstable, a suspension of occupancy would be issued until the site debris has been cleared, and/or drainages and slopes have been stabilized to prevent risks to people or structures.

Sources

See Exhibit A.

XXI. MANDATORY FINDINGS OF SIGNIFICANCE

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(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?	☐	☒	☐	☐
(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)?	☐	☒	☐	☐
(c)	Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☒	☐

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?*

As discussed in each of the preceding resource sections, upon implementation of identified mitigation measures, the proposed project would not result in significant impacts to biological or cultural resources and would 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, 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. Therefore, impacts would be *less than significant with mitigation* incorporated.

(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 Projects

Table 10 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 10, the County has received applications for a total of 114 cultivation sites (including indoor and outdoor) with a total canopy of 301 acres. Each of these proposed activities is considered a reasonably foreseeable future project for the purposes of this cumulative impact analysis. It is important to note, however, that many proposed activities are subject to change during the land use permit process and a portion of these applications may be withdrawn by the applicant or denied by the County approving body. 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 114, and each site may have a maximum of 3 acres of outdoor canopy and 22,000 square feet (0.5 acres) of indoor canopy. Therefore, if 114 cultivation sites are ultimately approved, the maximum total cannabis canopy allowable in the unincorporated county will be 399 acres (114 sites x 3.5 acres of canopy per site = 399 acres).

Table 10 Summary of Cannabis Activities for Unincorporated San Luis Obispo County[1]

Proposed Cannabis Activity Type	Total Number of Proposed Cannabis Activities[1,2]	Total Proposed Canopy (acres)	Approved Activities
Indoor Cultivation and Indoor Nursery	114	75.9	30
Outdoor Cultivation		225	
Nursery	114	66.4	30
Processing	9	-	-
Manufacturing	24	-	6
Non-Storefront Dispensary	28	-	15
Commercial Distribution	8	-	4
Commercial Transport	5	-	1
Testing Laboratory	1	-	1
Total	303	367.3	87

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 proposed cannabis activities.

Of the 114 total applications for cannabis cultivation, a total of 12 are located in the vicinity of the project site in the Arroyo Grande Creek Valley area of the county (Figure 6). Of these 12 projects, one is located approximately 4.2 miles southeast on Tematatte Ridge Road, two are located approximately 3.5 miles southwest and clustered at the intersection of Heidi Place and Aloma Way, three are located approximately 4.8 miles west-southwest, one is located approximately 1.5 miles east on Huasna Road and one is located approximately 1.5 miles northeast on Alisos Road.

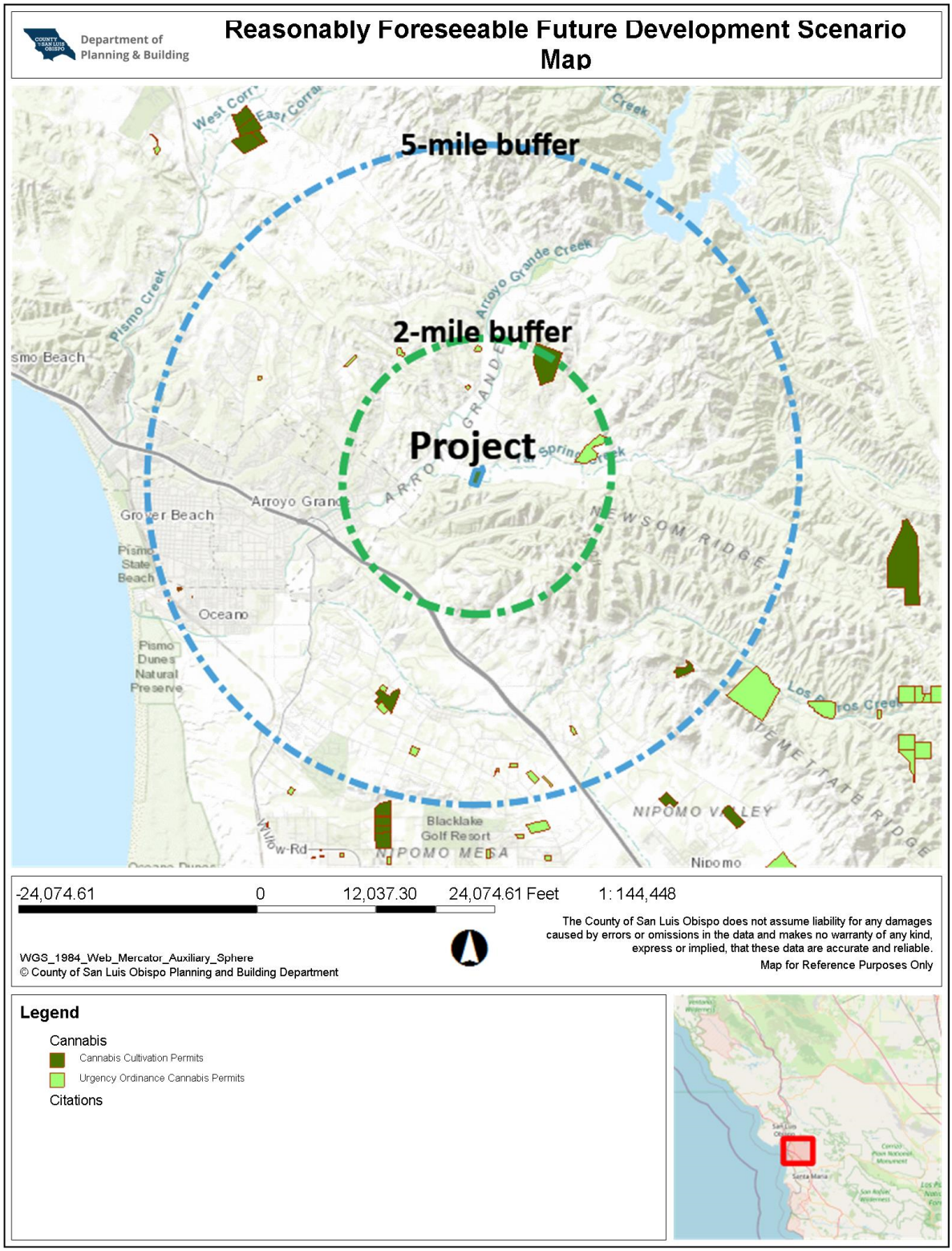


Figure 6 Reasonably Foreseeable Cannabis Projects in the Project Vicinity

Discussion

Aesthetics and Visual Resources

The project site is situated east of the contemporary community of Arroyo Grande area of the County which includes dry-farmed cropland, irrigated cropland, grasslands, rangelands, scrubland and oak woodland. The project area is situated at the base of a southwest-northeast trending Newsom Ridge. Tar Springs Creek trends east-west through the Tar Spring Creek Valley, forming a narrow riparian corridor which crosses through southern portion of the site property. Tar Spring Creek is a tributary to Arroyo Grande Creek. The confluence of the two creeks is located in the Arroyo Grande Creek Valley approximately one mile west of the project site. The dominant visual characteristic of the project and surrounding hills is grassland and oak woodland. There are rural residences, transmission lines, paved roads, and structures associated with agriculture dispersed throughout the region.

As discussed above, the project site is located in an area with 12 potential cannabis facilities within 5 miles (as of May 2021) including 2 near the project site. These projects will be located along collector roads with viewsheds limited by the presence of native oaks and rural development in the immediate vicinity of the roadways.

Cannabis activities may result in potentially significant impacts to visual resources from the construction of buildings, the introduction of new sources of light and glare, fencing and hoop structures. Accordingly, County regulations require that all cannabis operations be subjected to discretionary approval and project-specific environmental review, including an assessment of potential impacts to visual resources. Mitigation measures may be recommended to require new construction to incorporate landscaping, light shielding, and agrarian architectural elements to help protect views and to ensure compatibility with the rural, agricultural character of the area.

The analysis provided in Section I, Aesthetic and Visual Resources, provides an overview of the visual setting and concludes that potential project-specific impacts would be less than significant. By requiring reasonably-foreseeable projects in the area to incorporate measures to mitigate impacts to visual resources, project-specific impacts to aesthetic and visual resources of this project, when considered with the potential impacts of other reasonably foreseeable development in the area, would be less than cumulatively considerable.

Agriculture and Forestry Resources

The analysis provided in Section II, Agriculture and Forestry Resources, indicates that the project would result in the semi-permanent conversion of 2.3 acres of Prime Farmland, based on the FMMP. Outdoor cannabis plants would be planted directly in the soil which could readily be re-purposed to conventional crop production at such time as the cannabis activities cease. Therefore, approximately two acres would not permanently be converted to non-agricultural use. The project would include the construction of greenhouse nursery which would be a permanent conversion. However, the project will be conditioned to require the applicant to restore the site if all cannabis activities cease on the site. Therefore, no permanent significant impacts to agricultural, forest or timberland would occur. The project would not result in a conflict with existing zoning for agricultural use or Williamson Act contract.

Air Quality

The analysis provided in Section III, Air Quality, concludes that the project's potential construction-related emissions would not exceed APCD thresholds of significance for project-related impacts. However, cumulative impacts have been identified due to mitigation applied to other cannabis projects in the County. With recommended mitigation measures in other documents, construction-related emissions would be less than significant. The analysis also concludes that operational emissions would fall below APCD thresholds.

Cannabis activities may result in potentially significant impacts to air quality from construction activities, emissions associated with ongoing operations including motor vehicle trips, and from new sources of odors. Accordingly, County regulations require that all cannabis operations be subjected to discretionary approval and project-specific environmental review, including an assessment of potential air quality impacts. Through this process, mitigation measures may be recommended to require projects to implement dust reduction measures and measures to reduce diesel particulates during construction. By requiring reasonably foreseeable projects in the area to incorporate measures to mitigate the potential construction and operational impacts to air quality, the project will have a less than cumulatively considerable impact when considered with the potential impacts of other reasonably foreseeable development in the area.

Biological Resources

The analysis provided in Section IV, Biological Resources, concludes that the project's potential impacts to biological resources would be less than significant upon implementation of the identified Environmental Awareness Training, avoidance and mitigation measures for special-status wildlife and plant species and their habitats, site maintenance and general operations best practices, and nighttime lighting minimization. With implementation of mitigation measures BIO-1 through BIO-8, potential impacts to biological resources would be less than significant.

All surrounding proposed cannabis development projects would undergo evaluation for potential to impact biological resources. Proposed cannabis projects that are determined to have the potential to impact sensitive species and/or their habitats, sensitive natural communities, federal or state wetlands, migratory corridors, native trees, or conflict with state or local policies or habitat conservation plans would be required to implement mitigation measures to reduce these impacts.

Based on the mitigation measures identified to reduce potential project impacts and discretionary review of surrounding projects, when considered with the potential impacts of other reasonably foreseeable development in the area, project impacts associated with biological resources would be less than cumulatively considerable.

Energy Use

The proposed project combined with cumulative development would result in a significant cumulative impact if large amounts of energy would be used in a wasteful manner or inefficient manner. Implementation of mitigation measures ENG-1 and ENG-2 would reduce impacts to energy use to less than significant.

All surrounding proposed cannabis development projects would undergo evaluation for potential impact to energy. Proposed cannabis projects that are determined to have the potential to impact energy would be required to implement mitigation measures to reduce these impacts.

Based on the mitigation measures identified to reduce potential project impacts and discretionary review of surrounding projects, when considered with the potential impacts of other reasonably foreseeable development in the area, project impacts associated with energy would be less than cumulatively considerable.

Greenhouse Gas (GHG) Emissions

As discussed in Section VIII. Greenhouse Gas Emissions, the project is estimated to generate approximately 310 metric tons of CO_2 emissions with incorporation of mitigation measure ENG-1. Accordingly, the project will not exceed the working GHG threshold of 690 metric tons of CO_2 emissions per year and is assumed to have a less than cumulatively considerable impact relating to GHG emissions. Project emissions will be consistent with the GHG reduction measures set forth by SB 32 and the County's Energy Wise Plan.

All proposed cannabis cultivation operations located within the county will require discretionary approval and will be subject to project specific environmental review which will include an assessment of potential impacts associated with GHG emissions. Projects with the potential to exceed the thresholds would be required to implement mitigation measures to reduce project related GHG emissions to below the interim threshold. Such measures may include, but are not limited to, preparation of a Greenhouse Gas Reduction Plan and/or requiring enrollment in a clean energy program.

Based on the discretionary review of other cannabis cultivation projects within the county, cumulative impacts associated with GHG emissions would be *less than cumulatively considerable*.

Hazards and Hazardous Materials

As discussed in Section IX. Hazards and Hazardous Materials, the project includes use of potentially hazardous materials which could result in potential hazards through routine transport, use, and disposal as well as under upset or accident conditions. Mitigation measure HAZ-1 has been identified to reduce potential impacts by restricting the location of equipment maintenance, refueling and other potentially hazardous activities, and identifying the appropriate response protocol for immediate cleanup of any spills.

Probable future development of cannabis cultivation facilities within the vicinity of the project would be subject to discretionary review and therefore would be evaluated for potentially significant environmental impacts, including impacts associated with hazards and hazardous materials. Impacts associated with hazards and hazardous materials from other cannabis projects in the project vicinity would likely require mitigation similar to the project, which may include, but would not be limited to, implementation of hazardous material spill response plans, staging and refueling location limitations, and vegetation management. Based on the project-specific mitigation measures identified above, and the discretionary environmental review of probable future cannabis projects within the vicinity, project impacts associated with hazards and hazardous materials would be less than cumulatively considerable.

Hydrology/Water Demand

The project's estimated annual water demand is 3.88 AFY. The project site is within the Santa Maria Groundwater Basin Fringe Area which has not be assigned a Level of Severity by the County Resource Management System. When no LOS has been assigned it is because the groundwater basin is expected to be able to meet future demand without impacting the basin for the next 15

years. As discussed in Section X, Hydrology and Water Quality, compliance with existing regulations would adequately reduce potential impacts associated with hydrology and water quality to be less than significant.

All proposed cannabis cultivation projects located in the county would be subject to standard County requirements for drainage, sedimentation, and erosion control for construction and operation. All potentially hazardous materials (e.g., pesticides, fertilizers, etc.) proposed to be utilized for these projects would be required to comply with the applicable County Department of Environmental Health storage, refilling, and dispensing standards. All cannabis cultivation projects within the county would also be required to comply with applicable riparian, wetland, and other waterway setbacks established by the RWQCB.

Noise

As discussed in Section XIII, Noise, operation of the project would not exceed County noise standards and would not expose people to significant increased levels from construction or operation. Project-related impacts associated with ground-borne noise or ground-borne vibration would be site-specific and would not combine with other projects.

Reasonably foreseeable future cannabis cultivation projects would require discretionary permits and would be reviewed by County staff for potentially significant environmental impacts, including impacts associated with noise. Future projects with potential to generate noise above County standards or noise that would adversely affect surrounding sensitive receptors would be required to implement measures to reduce associated impacts. In addition, compliance with established setbacks as required by the LUO would allow noises to dissipate before reaching the property line with surrounding land uses.

The project-related contribution to traffic noise levels would be negligible in operation as discussed in Section XIII., *Noise*. When combined with cumulative traffic, which is likely to be higher than existing traffic levels, the project's contribution to traffic, and associated noise levels, would be smaller on a proportional basis, and would therefore not represent an audible contribution to cumulative traffic noise levels. Therefore, the project's contribution to regional traffic noise impacts would not be 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 all 12 reasonably foreseeable cultivation projects are approved and constructed, total employment associated with cannabis cultivation could result in as many as 70 additional jobs. It is

most likely that these workers will be sourced from the existing workforce in San Luis Obispo County. However, if all 70 workers are new residents to the County, it would represent a 0.35% 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 and therefore is not anticipated to rise to a cumulatively considerable level.

Public Services

Regarding cumulative effects, public facility (County) fee programs have been adopted to address the project's potential contribution to cumulative impacts and would reduce potential cumulative impacts to less than significant.

Transportation

As discussed in Section XVII, Transportation, the project would not result in a conflict with a plan or policy addressing the circulation system or increase hazards due to a geometric design feature. Surrounding reasonably foreseeable future cannabis cultivation projects would be subject to discretionary review and potential impacts associated with these thresholds would be analyzed and required to be reduced on a case-by-case basis. Therefore, the project's potential impacts associated with these thresholds would be less than cumulatively considerable. The County has not yet identified an appropriate model or method to estimate VMT for proposed land use development projects. State CEQA Guidelines Section 15064.3(b) states that if existing models or methods are not available to estimate the VMT for the particular project being considered, a lead agency may analyze the project's VMT qualitatively.

The most recent estimate of total VMT for the county as a whole is from 2013, at which time total VMT per day was estimated to be 7,862,000 VMT. Assuming a 1% annual growth in VMT during the intervening 8 years, the current daily total is estimated to be around 8,490,960 VMT. Accordingly, the VMT associated with proposed cannabis cultivation projects throughout the county is estimated to result in a very marginal increase in the total county VMT. Moreover, each project will be required to mitigate the project-specific impacts to the transportation network through standardized public facilities fees and other mitigation measures, based on the potential impacts. Such mitigation may include, but is not limited to, the installation of roadway and intersection improvements necessary to serve the project. Therefore, based on the size and scope of the proposed project, 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 would be less than cumulatively considerable.

Wildfire

As discussed in Section XX. Wildfire, construction and/or operation of the project may have the potential to impact people and/or structures following a wildfire event. Mitigation measure WF-1 has been identified to reduce potential impacts by requiring suspension of site occupancy following a major wildfire event on or nearby the site.

Project-related impacts associated with Wildfire would be site-specific and would not combine with other projects.

Reasonably foreseeable future cannabis cultivation projects would require discretionary permits and would be reviewed by County staff for potentially significant environmental impacts, including impacts associated with Wildfire. Future projects with potential to impacts related to Wildfire would be required to implement measures to reduce associated impacts.

Other Impact Issue Areas

Based on the analysis in this Initial Study, during operations the project would not contribute to cumulative impacts on the following resources because there would be no impact, or the impact would be both less than significant and localized on the project site:

- Cultural Resources;
- Geology and Soils;
- Land Use Planning;
- Mineral Resources;
- Recreation;
- Tribal and Cultural Resources; and
- Utilities and Service Systems

(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 environmental resource section above. In addition, implementation of mitigation measures HAZ-1, HAZ-2, and WF-1 and identified in in the resource sections above would reduce potential adverse effects on human beings to less than significant; therefore, impacts would be less than significant with mitigation.

Conclusion

The project has been determined not to meet the Mandatory Findings of Significance with implementation of mitigation measures for Biological Resources, Energy, Greenhouse Gas Emissions, Hazards/Hazardous Materials, and Wildfire (Exhibit B).

Mitigation

See Exhibit B for full list of mitigation measures.

Sources

See Exhibit A.

Initial Study – Environmental Checklist

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:

Contacted	Agency	Response
☒	County Public Works Department	**Attached**
☒	County Environmental Health Services	**Attached**
☒	County Agricultural Commissioner's Office	**Attached**
☐	County Airport Manager	**Not Applicable**
☐	Airport Land Use Commission	**Not Applicable**
☒	Air Pollution Control District	**None**
☒	County Sheriff's Department	**None**
☒	Regional Water Quality Control Board	**None**
☐	CA Coastal Commission	**Not Applicable**
☒	CA Department of Fish and Wildlife	**Attached**
☒	CA Department of Forestry (Cal Fire)	**Attached**
☐	CA Department of Transportation	**Not Applicable**
☐	Community Services District	**Not Applicable**
☒	Other NorthernChumash TribalCouncil/Salinan Tribe	**None**
☒	Other Building Division	**Attached**
☒	Other Assessor	**None**
☒	Other U.S.Fish and Wildlife	**None**

** "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

County Documents

☐ Coastal Plan Policies
☒ Framework for Planning (Coastal/Inland)
☒ 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)
☐ Building and Construction Ordinance
☒ Public Facilities Fee Ordinance
☐ Real Property Division Ordinance
☒ Affordable Housing Fund
☐ Airport Land Use Plan
☒ Energy Wise Plan
☐ Design Plan
☐ Specific Plan
☒ Annual Resource Summary Report
☐ Circulation Study

Other Documents

☒ Clean Air Plan/APCD Handbook
☒ Regional Transportation Plan
☒ Uniform Fire Code
☒ Water Quality Control Plan (Central Coast Basin – Region 3)
☒ Archaeological Resources Map
☒ Area of Critical Concerns Map
☒ Special Biological Importance Map
☒ CA Natural Species Diversity Database
☒ Fire Hazard Severity Map
☒ Flood Hazard Maps
☒ Natural Resources Conservation Service Soil Survey for SLO County
☒ GIS mapping layers (e.g., habitat, streams, contours, etc.)

Initial Study – Environmental Checklist

☐ Other??? ☐ Other

In addition, the following project-specific information and/or reference materials have been considered as a part of the Initial Study:

- Brady, R. 2010. Paleontological Identification Report for the Proposed Topaz Solar Farm, San Luis Obispo, California. Brady and Associates Geological Services, Fresno, California. Prepared for Applied EarthWorks, Inc., San Luis Obispo, California.
- Central Coast Archaeology Research Consultant, Cultural Resources Survey of the High Farms, LLC Cannabis Cultivation Project, November 2020.
- Letters of acknowledgement for proposed project: Jonathan Howard 2368 Huasna Road, Paul Bolla 2300 Huasna Road, Lara Golden 2324 Huasna Road.
- Osborne, J.L., A.P. Martin, C.R. Shortall, A.D. Todd, D.Goulson, M.E. Knight, R.J. Hale, and R.A. Sanderson. 2008. Quantifying and comparing bumble bee nest densities in gardens and countryside habitats. Journal of Applied Ecology 45:784-792.
- PAX Environmental, Biological Resources Assessment for 2-acre Cannabis Cultivation Facility, November 26, 2019.
- PAX Environmental, Addendum Memorandum to Biological Resources Assessment for 2-acre Cannabis Cultivation Facility, January 20, 2021.
- Mello & Son's, Water Test Report, Jacinto Bautista, 2450 Huasna Road Arroyo Grande, California, October 12, 2021.
- Wallace Group, Water Use Evaluation for Proposed Cannabis Cultivation, November 4, 2020.
- Wells, referral memo from CalFire for DRC2019-00061 Bautista, May 2, 2019.
- Xerces Society, A Petition to the State of California Fish and Game Commission, October 2018. https://xerces.org/sites/default/files/2019-10/CESA-petition-Bombus-Oct2018.pdf

Other County References

- Arroyo Grande Creek Erosion, Sedimentation and Flooding Alternatives Study (Swanson Hydrology & Geomorphology, January 2006).
- Aspen Environmental Group. March 2011. *Topaz Solar Farm Final EIR*.
- California Air Resources Board (ARB) 2000. A General Location Guide for Ultramafic Rocks in California – Areas More Likely to Contain Naturally Occurring Asbestos. https://ww3.arb.ca.gov/toxics/asbestos/ofr_2000-019.pdf accessed March 2020.
- California Air Resources Board (ARB). 2005. Community Health Perspective Handbook. Available at https://ww3.arb.ca.gov/ch/handbook.pdf.

- California Department of Conservation (CDOC). 2015. CGS Information Warehouse: Regulatory Maps http://maps.conservation.ca.gov/cgs/informationwarehouse/index.html?map=regulatorymaps (accessed February 2020)
- California Department of Finance. 2018. E-5 Population and Housing Estimates for Cities, Counties, and the State, 2011-2018 with 2010 Census Benchmark. http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-5/ (accessed February 2020).
- California Department of Transportation (Caltrans). 2017. Traffic Census Program. https://dot.ca.gov/programs/traffic-operations/census/traffic-volumes. Accessed February 24, 2020.
- California Department of Transportation. 2019. Caltrans Scenic Highway Mapping System List of Eligible and Officially Designated State Scenic Highways. August 2019. [https://dot.ca.gov/-/media/dot-media/programs/design/documents/desig-and-eligible-aug2019_a11y.xlsx (accessed March 4, 2020).
- CalRecycle. 2019. SWIS Facility Detail. https://www2.calrecycle.ca.gov/swfacilities/Directory/40-AA-0008/ (accessed February 2020)
- County of San Luis Obispo Resource Management System. 2016-2018 Resource Summary Report
- County of San Luis Obispo. Cultural and Paleontological Resources Section, Topaz Solar Final EIR. March 2011.
- County of Santa Barbara. Final Environmental Impact Report (EIR) for the Cannabis Land Use Ordinance and Licensing Program, December 2017
- San Luis Obispo Council of Governments, 2017, 2050 Regional Growth Forecast (RGF) for San Luis Obispo County
- San Luis Obispo Council of Governments, 2019 Regional Transportation Plan, Regional Traffic Model, Modeling and Technical Documentation, page 1-7. https://www.dropbox.com/s/vsrw4o9kqeu8snv/__TOTAL-APPENDICES.pdf?dl=0Society of Vertebrate Paleontology. Standard Procedures for the Assessment and Mitigation of Adverse Impacts to Paleontological Resources. Available at: http://vertpaleo.org/Membership/Member-Ethics/SVP_Impact Mitigation_Guidelines.aspx. 2010
- State of California Office of Planning and Research. Technical Advisory on Evaluating Transportation Impacts in CEQA. December 2018. Available at: http:/opr.ca.gov/docs/20190122-743_Technical Advisory.pdf.

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.

Biological Resources

BR-1 **Environmental Awareness Training** *Prior to major construction activities* (e.g., site mobilization, clearing, grubbing, preparation for installing new facilities, etc.), an environmental awareness training shall be presented to all project personnel by a qualified biologist prior to the start of any project activities. The training shall include color photographs and a description of the ecology of all special-status species known or determined to have potential to occur, as well as other sensitive resources requiring avoidance near project impact areas. The training shall also include a description of protection measures required by the project's discretionary permits, an overview of the federal Endangered Species Act, the California Endangered Species Act, and implications of noncompliance with these regulations, as well as an overview of the required avoidance and minimization measures. A sign-in sheet with the name and signature of the qualified biologist who presented the training, and the names and signatures of the trainees will be kept and provided to the County of San Luis Obispo (County). If new project personnel join the project after the initial training period, they will receive the environmental awareness training from a designated crew member on site before beginning work. A qualified biologist will provide refresher trainings during site visits or other monitoring events.

BR-2 **Special Status Herpetofauna (Reptiles and Amphibians) Avoidance and Protection.**

Pre-construction Survey for Special-status Reptiles and Amphibians. Within 30 days prior to issuance of grading and/or construction permits and immediately prior to initiation of site disturbance and/or construction, a qualified biologist shall conduct a focused pre-construction survey immediately before any initial ground disturbances (i.e. the morning of the commencement of disturbance) within 50 feet of suitable habitat. The survey will be focused for special status herpetofauna, including the California red-legged frog, Coast Range newt, and western pond turtle. A survey report summarizing results of the survey shall be submitted to the County Department of Planning and Building within one week of completing the survey. Construction monitoring shall also be conducted by a qualified biologist during all initial ground-disturbing and vegetation removal activities (e.g., grading, grubbing, vegetation trimming, vegetation removal, etc.) within suitable habitat. If any special status reptiles and/or amphibians are found in the area of disturbance, the biologist shall move the animal(s) to an appropriate location outside the area of disturbance. Any sightings of special status species shall be documented and reported to County and CDFW staff and the CNDDB. The candidate site(s) for relocation shall be identified before construction and shall be selected based on the size and type of habitat present, the potential for negative interactions with resident species, and the species' range. A monitoring report summarizing results shall be submitted to the County Department of Planning and Building within one week of completing monitoring work for these species.

If any additional ground- or vegetation-disturbing activities occur on the project site, the above surveys and monitoring shall be repeated.

BR-3 **Site Maintenance and General Operations.** The following measures are required to minimize impacts during active construction and ongoing operations. All measures applicable during construction shall be included on plans. All measures applicable to operation shall be clearly posted on-site in a location(s) visible to workers and anyone visiting the site:

1. The use of heavy equipment and vehicles shall be limited to the proposed project limits and defined staging areas/access points. The staging areas shall conform to all Best Management Practices applicable to obtaining zero discharge of stormwater runoff. The boundaries of each work area shall be clearly defined and marked with high visibility fencing (e.g., t-posts and yellow rope) and/or flagging. No work or travel shall occur outside these limits.
2. Project plans, drawings, and specifications shall show the boundaries of all work areas on site and the location of erosion and sediment controls, limit delineation, and other pertinent measures to ensure the protection of sensitive habitat areas and associated resources.
3. Staging of equipment and materials shall occur in designated areas at least 100 feet from aquatic habitat (e.g., swales, drainages, ponds, vernal pools, if identified on site).
4. Secondary containment such as drip pans shall be used to prevent leaks and spills of potential contaminants.
5. Washing of concrete, paint, equipment, and refueling and maintenance of equipment shall occur only in designated areas. Sandbags and/or absorbent pads shall be available to prevent water and/or spilled fuel from leaving the site.
6. Equipment shall be inspected by the operator daily to ensure that equipment is in good working order and no fuel or lubricant leaks are present.

BR-4 **Roosting Bats Avoidance Measures and Preconstruction Survey.** Site preparation, ground disturbance, and construction activities including any tree trimming and/or vegetation removal shall be conducted outside of the typical bat maternity roosting and pupping season (from February 1st to August 31st), if feasible. If site disturbance activities are to occur within this season, the applicant shall retain a County-qualified biologist to conduct a preconstruction survey within 14 days prior to commencement of proposed site disturbance activities. If any roosting bats are found during preconstruction surveys, no work activities shall occur within 100 feet of active roosts until bats have left the roosts. The County-qualified biologist shall prepare a report after each survey and a copy of the report shall be provided to the County within 14 days of completion of each survey. If no bat roosting activities are detected within the proposed work area, site disturbance and noise-producing construction activities may proceed, and no further mitigation is required.

BR-5 **Nighttime Lighting.**

To minimize the effects of exterior lighting on special-status wildlife species, the applicant shall submit a Light Pollution Prevention Plan to the County Planning Department for approval that incorporates the following measures to reduce impacts related to night lighting:

1. Exterior lighting used for security purposes shall be designed to be motion activated and be directed downward and to the interior of the site to minimize effects of exterior lighting on special-status wildlife species. Outdoor lighting shall be of the lowest lumen necessary to address security issues.

BR-6 Nesting Birds Protection Measures

1. **Pre-construction Survey for Sensitive and Nesting Birds.** If work is planned to occur between February 1 and September 15, a qualified biologist shall survey the area for nesting birds within one week prior to initial project activity beginning, including ground disturbance and/or vegetation removal/trimming. This includes nests of all common bird species (under the MBTA), as well as special status birds and raptor nests. If nesting birds are located on or near the proposed project site, they shall be avoided until they have successfully fledged, or the nest is no longer deemed active. If surveys do not locate nesting birds, construction activities may be conducted.

    a. A 250-foot exclusion zone shall be placed around non-listed, passerine species, and a 500-foot exclusion zone will be implemented for raptor species. Each exclusion zone shall encircle the nest and have a radius of 250 feet (non-listed passerine species) or 500 feet (raptor species). All project activities, including foot and vehicle traffic and storage of supplies and equipment, are prohibited inside 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 young have fledged or that proposed project activities would not cause adverse impacts to the nest, adults, eggs, or young.

    b. If special-status avian species (aside from the burrowing owl) are identified and nesting within the work area, no work will begin until an appropriate exclusion zone is determined in consultation with the County and any relevant resource agencies.

    c. The results of the survey shall be provided to the County prior to initial project activities. The results shall detail appropriate fencing or flagging of exclusion zones and include recommendations for additional monitoring requirements. A map of the project site and nest locations shall be included with the results. The qualified biologist conducting the nesting survey shall have the authority to reduce or increase the recommended exclusion zone depending on site conditions and species (if non-listed).

    d. If two weeks lapse between different phases of project activities (e.g., vegetation trimming and the start of grading), during which no or minimal work activity occurs, the nesting bird survey shall be repeated.

BR-7 Crotch Bumble Bee (*Bombus crotchii*) and Western Bumble Bee (*Bombus occidentalis*) Avoidance and Minimization

1. **Pre-construction Survey for Crotch Bumble Bee and Western Bumble Bee.** The applicant shall retain a County-qualified biologist to conduct pre-construction survey(s) for Crotch bumble bee and Western bumble bee within suitable habitat (i.e., small

mammal burrows, thatched/bunch grasses, upland scrubs, brush piles, unmowed/overgrown areas, dead trees, hollow logs, etc.) on the project site. Survey(s) shall be conducted over an extended period of time to document and establish whether the bees are present within the areas of disturbance.

2. **Avoidance.** If the survey(s) establish the presence of Crotch bumble bee or Western bumble bee within the areas of disturbance, the applicant shall retain a qualified biologist to prepare a Biological Resources Management Plan (Management Plan) subject to review and approval by the County Planning and Building Department in consultation with CDFW. The Management Plan shall include at least the following:

    a. Avoidance measures to include a minimum 50-foot no-disturbance buffer to avoid take and potentially significant impacts.

    b. If ground-disturbing activities will occur during the overwintering period (October through February), the applicant, in coordination with the County Planning and Building Department, shall consult with CDFW to identify specific measures to be undertaken to avoid take as identified by the California Endangered Species Act (CESA).

    c. In the event that CBB and/or WBB are denied listing under CESA by state law, this mitigation measure shall no longer be required for the respective species.

BR-8 **California Red-legged Frog (CRLF).** The following measures shall be implemented to mitigate potential impacts to CRLF:

1. Site preparation, including vegetation clearance, soil disturbance, and grading shall not occur:

    a. during the typical rainy season (November 1 to April 1),

    b. during the nighttime (between 30 minutes before dusk and 30 minutes after dawn),

    c. during an actual or predicted rain event of 0.25-inches or greater or within 24 hours after an actual rain event, and

    d. near isolated pools.

2. If remaining construction activities (such as wall construction or interior work) are proposed during the rainy season, prior to obtaining a building permit or continuing construction, the applicant shall prepare a Management Plan prepared by a qualified professional. The project's Management Plan is subject to the review and approval of the United States Fish & Wildlife Service (USFWS) and San Luis Obispo County Planning & Building Department prior to any continuation of construction or building.

3. The Management Plan shall address items including, but not limited to:

    a. monitoring that will occur during construction related activities (e.g., monitoring duration, time, frequency),

    b. procedures if a California Red Legged Frog (CRLF) or other sensitive species is encountered during construction related activities,

c. pre-construction worker training,

d. the construction schedule proposed to minimize impacts to sensitive species (i.e, completing construction activities closest to potential CRLF habitat first), and

e. the filing of a post-construction report "lessons learned" on the effectiveness of the required measures.

4. Construction activities conducted during the wet season shall not occur:

   a. during the nighttime (between 30 minutes before dusk and 30 minutes after dawn), or

   b. during an actual or predicted rain event of 0.25-inches or greater, or within 24 hours after an actual rain event. The applicant will complete construction activities closest to potential CRLF habitat (Tar Spring Creek) first, followed by activities that are further from the potential habitat.

Energy

ENG-1 **Renewable Energy or Offsets.**

Prior to issuance of building permits, the applicant shall provide to the Department of Planning and Building for review and approval, proof that electrical power for indoor cultivation, mixed-light operations, and processing, including but not limited to lighting, heating, cooling, ventilation, exhaust fans, and watering systems, will be will be reduced to a maximum demand of 464,738 kWh/yr and provided by any combination of the following:

1. on-grid power with one hundred percent (100%) renewable source;
2. on-site zero net energy renewable source; or
3. purchase of carbon offsets of any portion of power not from renewable sources. The use of generators for indoor and mixed light cultivation is prohibited, except for portable temporary use in emergencies only.

ENG-2 **Quarterly Monitoring Inspection**

At time of quarterly monitoring inspection, the applicant shall provide to the Department of Planning and Building for review, documentation demonstrating continued compliance with mitigation measure ENG-1 (e.g. providing a current PG&E statement or contract showing continuous enrollment in the Solar Choice program or Regional Renewable Choice program).

Greenhouse Gas Emissions

ENG-1 See Energy ENG-1.

Hazards/Hazardous Materials

HAZ-1 **Spill Response Protocol.** During all construction activities, all project-related spills of hazardous materials shall be cleaned up immediately. Appropriate spill prevention and cleanup materials shall be onsite at all times during construction.

Wildfire

WF-1 **Post-Fire Protection Measure**

Following a major fire, the applicant shall initiate consultation with County Planning and Building and Public Works. The County will coordinate with CalFire to evaluate the post-fire site condition and adjacent slope's potential for post-fire slope instability. If CalFire and/or County Public Works determines the site condition to be hazardous and/or adjacent slopes to be unstable, a suspension of occupancy would be issued until the site debris has been cleared, and/or drainages and slopes have been stabilized to prevent risks to people or structures.

Appendix A – Other Agency Approvals That May Be Required

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.

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.