



**RESPONSE TO COMMENTS AND ERRATA
FOR THE**

**PANTHEON GROUP COMMERCIAL CANNABIS CULTIVATION, NON-
VOLATILE MANUFACTURING AND DISTRIBUTION FACILITY
3990 BROADWAY
EUREKA, CALIFORNIA
SCH # 2021120494**

Prepared for:

**Pantheon Group
3990 Broadway
Eureka, California**

Prepared by:

**EBA Engineering
825 Sonoma Avenue, Suite C
Santa Rosa, California 95404**

March 2022



TABLE OF CONTENTS

| | |
|---|----|
| 1.0 – INTRODUCTION..... | 1 |
| 1.1 Purpose of this Response to Comment and Errata of the Initial Study/Proposed Mitigated Negative Declaration..... | 1 |
| 1.2 Environmental Review Process | 1 |
| 1.3 Document Organization of the Response to Comment and Errata of the ISMND | 2 |
| 2.0 – COMMENTS AND RESPONSES..... | 3 |
| 2.1 Comments Received | 3 |
| 3.0 – ERRATA..... | 11 |
| 3.1 List of Proposed IS/MND Text Modifications Captured in Errata and Proposed Modifications..... | 11 |
| 4.0 – REFERENCES..... | 24 |

APPENDICES

- Appendix A – DCC & Caltrans Comments
- Appendix B – AB 52 Supporting Documentation



1.0 – INTRODUCTION

1.1 Purpose of this Response to Comment and Errata of the Initial Study/Proposed Mitigated Negative Declaration

This document provides responses to comments received on the 2021 circulated Initial Study/Proposed Mitigated Negative Declaration (IS/MND) for the Pantheon Group’s proposed Commercial Cannabis Cultivation, Non-Volatile Manufacturing, and Distribution Facility (Project). The IS/MND was circulated between December 21, 2021 and February 15, 2022. The IS/MND identified the likely environmental impacts associated with the Project, and recommended mitigation measures to reduce potentially significant impacts.

This document, together with the IS/MND, constitutes the Final IS/MND if the City of Eureka (City) adopts it as complete and adequate under the California Environmental Quality Act (CEQA).

1.2 Environmental Review Process

CEQA requires lead agencies to consult with public agencies having jurisdiction over a proposed project, and to provide the general public and project applicant with an opportunity to comment on the IS/MND. This Response to Comments and Errata has been prepared to respond to the comments received on the IS/MND, including minor changes to the project description and inclusion of updated supporting documents.

Notice of Completions (NOC) and Notice of Intent (NOI) were originally filed with the Office of Planning and Research State Clearinghouse (SCH) on December 21, 2021, and SCH commenced through January 21, 2022. A NOI was published in the Eureka Times Standard on Sunday December 26, 2021, and local review commenced on December 27, 2021 and originally ended on January 25, 2022. However, due to an inadvertent filing oversight related to posting at the County Clerk’s office, both the local and SCH review were extended to February 15, 2022 at 5 pm, and a revised NOI extending the local review was published in the Times Standard on Thursday January 27, 2022. A hard copy of the IS/MND was available for review in-person at Eureka City Hall, and the local and SCH NOIs contained links to electronic copies of all IS/MND documents.

This IS/MND will be provided to the City of Eureka for their review, consideration as a full disclosure of potential impacts, and mitigation measures. If the Project is approved, the IS/MND would be adopted, and the recommended mitigation measures implemented as specified in the City’s resolution and an accompanying Mitigation Monitoring and Reporting Program.



The additions made in this Response to Comment and Errata of the IS/MND do not constitute “significant new information” requiring recirculation pursuant to Public Resources Code section 21092.1 and CEQA Guidelines Section 15088.5. The Final IS/MND merely clarifies, amplifies, and makes insignificant modifications to the adequate IS/MND, per CEQA Guidelines Section 15088.5(b).

1.3 Document Organization of the Response to Comment and Errata of the IS/MND

The Response to Comment and Errata is organized into the following chapters:

- Chapter 1 – Introduction. This chapter discusses the use and organization of this Final ISMND, and environmental review process.
- Chapter 2 – Comments and Responses. This chapter includes the names of agencies and individuals who commented on the IS/MND and contains reproductions of the letters received from the public on the IS/MND, and responses to those comments. The responses to each comment are keyed to the comments which precede them.
- Chapter 3 – Errata. This chapter includes proposed insignificant changes to portions of the IS/MND. Proposed changes to the IS/MND are presented in errata format, which includes excerpts of original text from the IS/MND with text proposed for deletion marked with strike through (~~example~~), and text proposed for insertion in bold underline (**example**).



2.0 – COMMENTS AND RESPONSES

2.1 Comments Received

During the public comment period for the IS/MND, the City received letter responses from Lindsay Rains, Licensing Program Manager for the Department of Cannabis Control (DCC), and Jacob Rightnar of the California Department of Transportation - District 1 (Caltrans).

Department of Cannabis Control Comments

Comments and responses to comments from the DCC are discussed below. DCC's comment letter is included in Appendix A.

DCC General Comment GC1: Cannabis Licensing Agency Consolidation and Regulations

In July 2021, the three former state cannabis authorities (the Bureau of Cannabis Control, CalCannabis Cultivation Licensing Division, and the Manufactured Cannabis Safety Branch) consolidated to form a single state cannabis licensing agency, the Department of Cannabis Control. DCC licenses and regulates all cannabis businesses in California. As part of this consolidation, DCC has published regulations containing environmental protection measures, designed to reduce the severity of environmental impacts for several resource topics. The IS/MND's analysis could benefit from updates to its citation of state regulations, as well as additional discussion of the protections for environmental resources provided by DCC's regulations, and a discussion of how these regulations may affect or reduce the severity of the Proposed Project's environmental impacts. Current DCC regulations can be found at: <https://cannabis.ca.gov/resources/rulemaking/>.

Response to General Comment GC1

It is noted that all references to the Bureau of Cannabis Control, CalCannabis Cultivation Licensing Division, and the Manufactured Cannabis Safety Branch within the IS/MND hereafter shall be referred to as the Department of Cannabis Control (DCC). The relevant revisions to agency references are detailed in Section 3.1 of the Errata.

DCC General Comment GC2: Evaluation of Cumulative Impacts

The IS/MND would be improved by analyzing the potential for cumulative impacts resulting from the Proposed Project coupled with other cannabis cultivation projects being processed by the City, and any other reasonably foreseeable projects in the City of Eureka that could contribute to cumulative impacts similar to those of the Proposed Project. The analyses that would have particular importance include:

- cumulative impacts from groundwater diversions on the health of the underlying aquifer, including impacts on other users and impacts on stream-related resources connected to the aquifer;
- cumulative impacts related to transportation; and
- cumulative impacts related to air quality and objectionable odors.



For impacts that would result in potentially significant impacts, the document should specify mitigation measures to reduce or avoid such impacts. If mitigation measures would not reduce impact to less than significant levels, an IS/MND would not be the appropriate CEQA document for the Proposed Project.

Response to General Comment GC2

As discussed in Section 4.19 (b) of the IS/MND, based on the current reported water availability from the Humboldt Bay Municipal Water District (HBMWD) for the City of Eureka (5.16 million gallons per day [MGD]), the Project will utilize approximately 2,820 gallons of water per day which equals approximately 0.055% of the City of Eureka's current allotment (EBA, 2021). As for the City of Eureka's projected demand of 4.4 MGP (by 2035), the Project will utilize approximately 0.065% of the projected allotment in 2035. The HBMWD also owns and operates the R.W. Matthews Dam impounding water in Ruth Lake from the Mad River. HBMWD manages releases from the dam to ensure sufficient supplies downstream throughout the year, which also serve to recharge the underlying aquifer. As of January 20, 2022, the reservoir (Ruth Reservoir) supplying recharge to the principle aquifer is at 101% capacity. This indicates that supplemental volumes of water are currently available for recharging the aquifer and providing surface water for riparian and fluvial processes. Further, the HBMWD Urban Water Management Plan 2020 indicates that 1977 was the only year of record the reservoir was not filled to capacity (HBMWD, 2020). As such, the Project's estimated water usage, combined with other cannabis facilities within the City of Eureka does not represent a cumulative significant impact with respect to groundwater diversions on the health of the underlying aquifer, or stream-related resources connected to the aquifer.

The environmental review included in Section 4.8 (a) of the IS/MND included projected vehicle trips for the Project operations to be up to 48 per day. However, this erroneously included vehicle trips for lunch breaks. Excluding vehicle trips for lunch breaks, the Project operations are projected to include up to 24 employee vehicle trips per day. In addition, a small number of deliveries and shipments are anticipated per month (estimated 20 vehicle trips, and approximately 0.5 vehicle trips per day). The combined employee and delivery shipment vehicle trips are significantly less than the 110-trip threshold described in the Governor's Office of Planning & Research (OPR) December 2018 Technical Advisory on Evaluation Transportation Impacts in CEQA (OPR, 2018). In addition, the project site is located within one-half mile of either an existing major transit stop or a stop along an existing high-quality transit corridor. In addition, there are multiple bicycle and pedestrian options to access the project site, Broadway contains northbound and southbound bike lanes, and is in close proximity to the Hikshari Trail, which provides options for non-motorized transportation to the property, all of which can decrease VMT.

According to information provided by the City of Eureka's Cannabis Program Manager, there are currently 42 cannabis facilities within the Eureka city limits. Of these 42 facilities, five are used for cultivation, 24 are operating as non-volatile manufacturing facilities, one is used for volatile manufacturing, 24 for distribution, and 11 are operating as retail cannabis dispensaries. A majority of these facilities are located within the north and



northeastern portions of the City of Eureka business district, beginning over approximately two miles away from the project site. Within approximately 2,500 feet of the project site there is one non-volatile manufacturing and distribution facility, and one non-volatile manufacturing, distribution and retail dispensary facility.

Of the facilities discussed above, 16 operate under a Conditional Use Permit (CUP), and 13 under a Minor Use Permit (MUP), with the remaining facilities being principally permitted. By definition, those facilities which are principally permitted are indicated to not pose a threat of significant impacts as a result of their operations. Those facilities which operate under CUPs and MUPs are subject to local regulatory requirements intended to mitigate any potential significant odor impacts, should any be posed by their operations. By meeting City of Eureka land use and permitting, and mitigation monitoring requirements, significant impacts, either individually or cumulative, as a result of the operation of these facilities are not anticipated.

The relevant revisions to this evaluation are detailed in Section 3.1 of the Errata.

DCC Comment No. 1 – Other Public Agencies whose approval is, or may be required

The IS/MND would be improved if it contained more details of the AB 52 compliance process, including a list of tribes that were contacted.

Response to Comment No.1 (response in italics and bold type)

As part of the AB 52 compliance process, notification was provided to the Wiyot Tribe, Blue Lake Rancheria, and Bear River Band of Rohnerville Rancheria. A copy of the Invitation to Consult for a Development Project AB 52 Referral is attached as Appendix B. As included in Section 2.15 of the IS/MND, consultation was offered on March 23, 2020 as part of the standard project referral process, and then again on March 31, 2021 as part of the AB52 compliance process, and consultation began on March 24, 2021, and April 12, 2021, respectfully.

As a result of tribal consultation, Mitigation Measure Nos. V-1, V-2, XVIII-1 and XVIII-2 were included in the IS/MND.

DCC Comment No. 2 Aesthetics (Section 4.1[d])

The IS/MND would be strengthened if it referenced DCC's requirements that all outdoor lighting for security purposes must be shielded and downward facing. (Cal. Code Regs., tit. 4 §16304(a)(7)).

Response to Comment No. 2

As discussed in Section 4.1 (d) of the IS/MND, the project site is bound by existing commercial and light industrial businesses, all of which currently contain on-site lighting and street lighting along the Broadway corridor. New lighting associated with the Project will comply with the City of Eureka Municipal Codes (EMC) §§ 10-5.1504(i) and 10-5.1604 which state "If the parking area is illuminated, lighting shall be deflected away from residential sites so as to cause no annoying glare", and "If the loading area is illuminated



lighting shall be deflected away from abutting residential sites so as to cause no annoying glare” (EMC). **In addition, all outdoor lighting for security will be shielded and downward facing as required by the Department of Cannabis Control (DCC) (California Code Regs., tit. 4 § 16304(a)(7)).** There are no residential areas abutting the project site, and lighting and glare levels are not expected to exceed typical levels within the surrounding urban environment. No significant impact.

The relevant revisions to this evaluation are detailed in Section 3.1 of the Errata.

DCC Comment No. 3 Air Quality (Section 4.3[b])

The document would be improved if it contained an analysis to support its conclusion, including a discussion of any other cannabis growing operations that exist or are proposed in the vicinity of the Proposed Project.

Response to Comment No. 3

See Response to General Comment GC-2 above.

DCC Comment No. 4 Energy (Section 4.6[b])

The IS/MND would be strengthened if it referenced DCC’s regulations relating to the use of renewable energy in cultivation projects. (Cal. Code Regs., tit. 4 § 16305.)

Response to Comment No. 4

As stated in Sections 2.14 Estimated Water and Energy Usage, and 4.6 (b) Energy, of the referenced IS/MND, the Pantheon Group is committed to obtaining energy from 100% renewable sources (EBA, 2021). No changes to the IS/MND are proposed as a result of this comment.

DCC Comment No. 5 Greenhouse Gas Emissions (Section 4.8)

The document uses the Technical Advisory on Evaluating Transportation Impacts in CEQA (Governor’s Office of Planning & Research [OPR], 2018) to evaluate GHG emissions for the Proposed Project. The VMT analysis in that document is intended for the evaluation of transportation impacts. The document would be improved if it provided data related to mobile GHG emissions for the Proposed Project.

Response to Comment No. 5

The evaluation in Section 4.17 of the IS/MND is supplemented with the following information.

Due to the laborious nature of calculating mobile GHG emissions for the limited number of employees and deliveries for the Project, the general evaluation of mobile GHG emissions were evaluated using the Humboldt County Association of Government’s (HCAOG) Eureka Broadway Multimodal Corridor Plan (Corridor Plan) (HCAOG, 2021). While this major infrastructure plan is still in the evaluation phase, multiple transportation studies were conducted in order to prepare the Corridor Plan. This plan intends to increase the accessibility and safety along Broadway (US Highway 101) for non-vehicular commuters by 2040. Calculations are based on the average person trip length of 9.2 miles



as reported by the 2017 National Household Transportation Survey. The Corridor Plan suggests an estimated increase of new adult cyclist commuters would range between 101 and 228 which would produce a daily VMT reduction between 929 and 2,097 miles. Additionally, the Corridor Plan suggests a future daily increase of transit ridership of 592 persons which equates to a VMT reduction of 5,449 miles. The Corridor Plan also calculates emission reductions associated with the reduced VMT, with CO₂ being reduced by 6,678 tons annually and PM₁₀ and PM_{2.5} emission being reduced by 0.113 tons per year. The location of the Project is within the Corridor Plan which would encourage the employees to utilize non-vehicular travel during lunch breaks and commuting.

It is also worth noting that historical property uses included a truck and heavy equipment repair facility for over 50 years. The Project as proposed is a much less intensive use and likely represents a significant reduction in vehicular trips to and from the project site from the historical use.

The relevant revisions to this evaluation are detailed in Section 3.1 of the Errata.

DCC Comment No. 6 Hydrology and Water Quality (Section 4.10[b])

The IS/MND would be more informative if it provided additional information regarding the City of Eureka's water sources and supply.

Response to Comment No. 6

As stated in Section 4.19 (b) of the referenced IS/MND, water is purchased from the Humboldt Bay Municipal Water District (HBMWD) and is piped from its original source, subsurface wells on the Mad River near Blue Lake, to Eureka's 20-million-gallon storage reservoir (Humboldt Local Agency Formation Commission [HLAFC], 2014). The capacity of the HBMWD system is approximately 75 million gallons per day (MGD) and the City of Eureka currently maintains an entitlement of 5.16 MGD (Freshwater Environmental Services [FES], 2016). According to published information, projected demand by 2035 is 4.4 MGD (FES, 2016).

The relevant revisions to this evaluation are detailed in Section 3.1 of the Errata.

DCC Comment No. 7 Noise (Section 4.13[a])

The document would be improved if it provided data to support its conclusions.

Response to Comment No. 7

As discussed in Section 4.13 (a) (b), the Project would generate a temporary increase in noise during improvements to the parking lot and interiors of the two existing structures through the use of various tools, generators, and construction vehicles. A majority of the construction work will be within the existing buildings which will significantly mitigate fugitive noise emissions from the project site. As for the cannabis operations, noise would be limited to workers and delivery vehicles, and the operation of the HVAC and odor control systems. Noise emissions from the project site would be less than significant due to numerous sources of higher decibel ambient noises from neighboring parcels,



vehicular traffic associated with Broadway (Highway 101), and the Pacific Ocean which would buffer the noise generated from the Project.

DCC Comment No. 8 Utilities and Service Systems (Section 4.19[b])

The document would be more informative if it provided a source for its water use estimates.

Response to Comment No. 8

As discussed in Section 4.19 (b) of the IS/MND, water usage for the proposed cannabis operations is estimated to be approximately 2,400-gallons per day assuming ½-gallon of water per plant per day, with an estimated 420 gallons per day for typical on-site employee water use. Water usage directly related to cannabis operations is based on the Pantheon Group’s substantial experience with cannabis cultivations and conversations with peers within the cannabis industry that have extensive knowledge on water usage. Typical on-site employee water demand is estimated using the factory-type establishment value from Appendix C - Expected Daily Wastewater Flows of the Humboldt County Onsite Wastewater Treatment System (OWTS) Regulations and Technical Manual (Humboldt County, 2017).

The relevant revisions to this evaluation are detailed in Section 3.1 of the Errata.

DCC Comment No. 9 Mandatory Findings of Significance (Section 5.1)

The IS/MND should identify whether any other cannabis growing operations exist or have been proposed in the vicinity of the Proposed Project, and provide an analysis of whether the Proposed Project would make a considerable contribution to any cumulative impacts from these other projects. (See GC 2.)

Response to Comment No. 9

See Response to General Comment GC-2 above.

Caltrans Comments

Comments and responses to comments from Caltrans are discussed below. It is noted that Caltrans District 1 does not have conditions to be placed on the Project at this time, but have expressed concerns regarding the Initial Study, detailed below. Caltrans comment letter is included in Appendix A.

Caltrans Informational Comment 1

The Initial Study Document states that the project site is within an existing high-quality transit corridor. The California Public Resources Code (PRC § 21155) states that a high-quality transit corridor is a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours. The highway adjacent to the project site in question does not meet this criterion.

Response to Caltrans Informational Comment 1

It is noted that according to the California Public Resources Code (PRC § 21155) that the



highway adjacent to the project site in question does not meet the PRC criterion as an existing high-quality transit corridor. However, as discussed in Section 4.17 (Transportation), of the IS/MND, “the project site is situated on the Redwood Transit System’s route which operates seven days a week and connects the communities as far south as Scotia, to Trinidad in the north. In addition, there are multiple bicycle and pedestrian options to access the project site, Broadway contains northbound and southbound bike lanes, pedestrian sidewalks, and the project site is in close proximity to the Hikshari Trail which provides options for non-motorized transportation to the property, all of which decrease VMT.”

The relevant revisions to this evaluation are detailed in Section 3.1 of the Errata.

Caltrans Informational Comment 2

Chapter 2 (Project Description) of the Initial Study document lists 13 separate, existing businesses occupying the parcel, including a drive-through coffee shop. A separate parcel, detached from Broadway, also utilizes the project parcel for access. The Initial Study Document (Discussion & Findings section) discusses only the incremental impacts to transportation but omits the total cumulative impacts the project and all the existing operations on the parcel add to the transportation system.

The Initial Study document states: “At peak operation, the estimated maximum number of staff on-site will be 12 employees, with hours of operation being 8:00 am to 6:00 pm, seven days a week.” It also states that these 12 employees could generate up to **24** trips per day on site, in addition to as many as 20 trips per month due to deliveries to commercial dispensaries. These trip calculations, however, do not include indirect trips relating to materials, supplies, installation, repair, and maintenance.

In Chapter 4 (Environmental Analysis) of the Initial Study document, under section 4.8 (Greenhouse Gas Emissions), both questions are marked “No Impact.” This is based solely upon the incremental impact this project adds to the commercial operations on the parcel. There is, however, no discussion of the cumulative impact of all operations on the parcel.

Response to Caltrans Informational Comment 2

Since the City of Eureka has not developed a calculator with local and regional parameters to calculate VMT impacts for a project, EBA utilized the Technical Advisory on Evaluating Transportation Impacts in CEQA (Governor’s Office of Planning & Research) to evaluate VMT impacts for the Project. The Technical Advisory advises that screening for small projects “that generate or attract fewer than 110 trips per day generally may be assumed to cause less than significant transportation impacts.”

Based on employee scheduling, for the proposed Project up to approximately 24-employee car trips (i.e., drive to work, then drive home is equal to two vehicle trips per employee) are anticipated per day. In addition, up to 10 delivery trucks (20 vehicle trips, with an estimated 0.5 trips per day) are anticipated per month for the conveyance of cannabis operations supplies to the property and off-site delivery of cannabis products.



Regarding other on-site businesses, the project site is currently occupied by the following businesses and corresponding employees:

- Lost Coast Science, LLC (three employees)
- Humboldt Motorsports (three employees)
- Ellsworth Performance (five employees)
- Neil's Custom Sound, LLC (one employee)
- Time & Tide Marine, LLC (three employees)

It should be noted that the drive-through coffee shop referenced in the IS/MND has never opened for business.

Based on employee scheduling for the referenced existing businesses, it is estimated that, in addition to the estimated 24 employee vehicle trips estimated for Project operations, up to a maximum of 30 employee car trips (i.e., drive to work, then drive home is equal to two vehicle trips per employee, for 15 employees) from the additional on-site businesses may occur at the project site per day. It can be assumed that a percentage of indirect trips related to materials, supplies, installation, repair, and maintenance will be combined with employee trips to and from work.

As the estimated daily vehicle trips of all on-site employees per day is significantly less than 110 (at 54), and the Project has committed to obtaining energy from 100% renewable sources, no impact is anticipated.

The relevant revisions to this evaluation are detailed in Section 3.1 of the Errata.



3.0 – ERRATA

The purpose of this errata is to document insignificant modifications to the IS/MND, and appendices of the IS/MND, since it was submitted to the Office of Planning and Research State Clearinghouse on December 22, 2021, and publicly circulated for over 30 days commencing on December 27, 2021. The following Project details and documents are addressed in these errata, as shown below.

The errata include excerpts of text from the IS/MND that are proposed for modification and does not include the entire IS/MND. Specifically, the entire subsection that contains the text proposed for modification is copied into the errata, and newly proposed text in the errata is bold and underlined, deleted text from the original IS/MND is stricken with strikethrough, and unchanged text remains in normal font. Only the subsections of the original IS/MND that are proposed for modification are copied into the errata, subsections that do not contain proposed changes are not copied into the errata.

3.1 List of Proposed IS/MND Text Modifications Captured in Errata and Proposed Modifications

Section 2.1 Project Location and Current Use

The reference to businesses on the project site parcel is revised as follows:

Table A

| Building ID | Tenant | Square Footage (ft²) |
|--------------------|---|---|
| A | The Pantheon Group (proposed improvements for two separate and licensed cultivation areas and one nursery area) | 6,133 (1 st floor) 5,015 (2 nd floor) |
| B | The Pantheon Group (proposed improvements for manufacturing & distribution) | 3,188 |
| B | Time & Tide Marine, LLC | 2,720 |
| C | Humboldt Dync & Blast, LLC | 3,044 |
| D | Humboldt Motorsports, LLC | 2,800 |
| E | Neil's Custom Sound, LLC | 2,800 |
| F | Ellsworth Performance, LLC | 3,696 |
| G | Humboldt Motorsports, LLC | 10,320 |
| H | Humboldt Motorsports, LLC Lost Coast Science, LLC Verum Printing, LLC 960 Design, LLC Humboldt Healing, LLC JD Bar, LLC | 16,380 (12,420 1 st floor) (3,960 2 nd floor) |
| I | Lost Coast Reast LLC | 507 |



2.6 Proposed Tenant Improvements

The reference to the volume of materials anticipated to be disturbed during trenching for connection to utilities is revised as follows:

The existing building, identified as Building B on Sheet A, is proposed to utilize 3,188 square feet of the building's total 5,908 square feet of space for cannabis manufacturing and distribution operations. The remaining 2,720 square feet of building space is not part of the Project and is currently occupied by Time & Tide Marine, a marine repair service business. Improvements to areas outside of the footprints of Buildings A and B will be limited to striping and re-surfacing for 41 appropriately designed asphalt parking spaces, and minimal trenching (approximately ~~22-24~~ **28.24** cubic yards) for connections to existing municipal water and sewage disposal utilities. The expansion of the buildings beyond their current footprints and significant ground disruption activities are not proposed. All property improvements associated with the Project are located at their closest, approximately 150 feet, from the nearest surface water body. The nearest surface water body is mapped as a freshwater wetland located on an offsite commercial property to the south of the project site (Figure 5).

The Project will connect to existing City of Eureka municipal water and sewer facilities, Pacific Gas and Electric (PG&E) electric energy, telephone, and internet service. Existing underground utilities at the project site are shown on Figure 2 and Sheet A-1. Buildings A and B were formerly served by an onsite well and septic system that have been decommissioned as part of the NCRWQCB clean-up activities. Connecting to existing utilities will involve some limited trenching to connect to existing municipal water and sewage disposal facilities as part of the site improvements as shown on Sheet A. ~~The trench to connect to existing municipal sewer facilities will be approximately 26 feet long, 2 feet wide and 3.5 feet deep, and the trench to connect to the existing water line will be approximately 60 feet long, 2 feet wide and 3.5 feet deep.~~ **The trench to connect Building A to the existing municipal sewer facilities will be approximately 26 feet long, 2 feet wide and 3.5 feet deep, and result in the disruption of approximately 6.74 cubic yards of soils during trenching. The trench to connect Building B to the existing municipal sewer facilities will be approximately 167 feet long, 1 foot wide and 3.5 feet deep, and result in the disruption of approximately 21.5 cubic yards of soils during trenching. Total soil disturbance for the proposed trenching is approximately 28.24 cubic yards.**

Section 2.9 Distribution

The reference to the appropriate Type 11 Distributor License is revised as follows:

Distribution of cultivated and manufactured cannabis and cannabis products will be conducted on-site with a Type 11 Distributor License from the ~~Bureau of Cannabis Control (BCC)~~ **Department of Cannabis Control (DCC)**, and a Distribution License from the City of Eureka. Proposed activities include interacting with offsite licensed lab facilities to ensure quality control and lab testing and logistics, and the overall transportation of



cannabis products.

Section 2.10 Odors

Section 2.10 of the Project Description of the IS/MND which discusses odors, with respect to temporary storage and handling of cannabis trim materials prior to disposal is revised as follows:

Per City of Eureka Commercial Cannabis Licensing requirements, a certified odor control and monitoring plan will be submitted. Ventilation and control equipment will be installed to control dust, odor, and vapors. Proposed odor control systems will filter all exhaust, eliminating the dispersion of any nuisance odors outside of the Project buildings. Locations of proposed odor control structures (24"-diameter by 42"-diameter carbon filters) within the Project buildings are shown on Sheets A-1 through A-4. Additionally, rubbish and trash will be temporarily stored in a covered and fully enclosed secure trash storage area near the northwestern exterior portion of Building A (Sheet A-1), and disposed of on a weekly basis to minimize the development of odor and deflect attraction of pests.

Following the reuse of cannabis trim materials in the manufacturing (non-volatile extraction) processes, the residual organic cannabis waste (stems, stalks, degraded cannabis plant material, and general cannabis biomass) will be ground up and mixed with sand and/or mulch to create a mixture that consists of cannabis and non-cannabis materials, stored in secure waste containers in the enclosed waste storage area, before being transported by a licensed waste hauler for offsite disposal in accordance with **§17223 of the California Department of Food and Agriculture (CDFA) requirements Department of Cannabis Control regulations.**

Section 2.13 Employees and Schedule of Operations

The environmental review included in Section 4.8 (a) of the IS/MND included projected vehicle trips for the Project operations to be up to 48 per day. However, this erroneously included vehicle trips for lunch breaks. Excluding vehicle trips for lunch breaks, this discussion is revised as follows:

At peak operation, the estimated maximum number of staff on-site will be 12 employees, with hours of operation being 8:00 am to 6:00 pm, seven days a week. Four employees each will work in cultivation, distribution, and manufacturing processes. Based on employee scheduling, up to ~~48~~ **24** employee car trips (i.e., drive to work and drive home ~~and lunch breaks~~ which equals ~~four~~ **two** vehicle trips per employee) are anticipated per day. Up to 10 delivery trucks (20 trips) are anticipated per month for the conveyance of cannabis operations supplies to the property and off-site delivery of cannabis products.



Section 2.1 Estimated Water and Energy Usage

The typographical error for this sub-heading is revised as follows:

2.14 Estimated Water and Energy Usage

Section 2.15 Other Public Agencies whose approval is, or may be required (e.g., permits, financing approval, or participation agreement): Permitting for the Project includes:

The reference to the cannabis licensing agencies is revised as follows:

- Use Permits from the City of Eureka;
- A Coastal Development Permit from the City of Eureka;
- Commercial Cannabis Licenses, and Building Permits from the City of Eureka;
- Cannabis Cultivation Permitting from the California Department of Fish and Wildlife;
- ~~Three State of California cannabis licensing agencies: 1. California Department of Food & Agriculture [CDFA] CalCannabis, 2. Bureau of Cannabis Control (BCC), 3. California Department of Public Health (CDPH) Manufactured Cannabis Safety Branch)~~ **Department of Cannabis Control**; and
- A Cannabis Cultivation General permit issued by the State Water Resources Control Board (SWRCB).

Section 4.1 Aesthetics

The reference to outdoor lighting requirements has been supplemented to include a citation to DCC lighting requirements as follows:

As discussed in Section 4.1 (d) of the IS/MND, the project site is bound by existing commercial and light industrial businesses, all of which currently contain on-site lighting and street lighting along the Broadway corridor. New lighting associated with the Project will comply with the City of Eureka Municipal Codes (EMC) §§ 10-5.1504(i) and 10-5.1604 which state “If the parking area is illuminated, lighting shall be deflected away from residential sites so as to cause no annoying glare”, and “If the loading area is illuminated lighting shall be deflected away from abutting residential sites so as to cause no annoying glare” (EMC). **In addition, all outdoor lighting for security will be shielded and downward facing as required by the Department of Cannabis Control (DCC) (California Code Regs., tit. 4 § 16304(a)(7)).** There are no residential areas abutting the project site, and lighting and glare levels are not expected to exceed typical levels within the surrounding urban environment. No significant impact.



Section 4.5 Cultural Resources

The evaluation of Section 4.5 (a, b, c) is revised as follows:

Section 4.5 (a) Discussion

The Project does not include the demolition of, or significant disturbance to, the existing on-site buildings (identified as Building A and Building B on Sheet A) and will only include very limited trenching to connect to existing utilities (municipal water and sewage supply facilities). ~~The trench to connect to existing municipal sewer facilities will be approximately 26 feet long, 2 feet wide and 3.5 feet deep, and result in the disruption of approximately 6.74 cubic yards of soils during trenching. The trench to connect the existing water line will be approximately 60 feet long, 2 feet wide and 3.5 feet deep, and the disruption of approximately 15.5 cubic yards of soils during trenching. Total soil disturbance for the proposed trenching is approximately 22.24 cubic yards (600 square feet).~~ **The trench to connect Building A to the existing municipal sewer facilities will be approximately 26 feet long, 2 feet wide and 3.5 feet deep, and result in the disruption of approximately 6.74 cubic yards of soils during trenching. The trench to connect Building B to the existing municipal sewer facilities will be approximately 167 feet long, 1 foot wide and 3.5 feet deep, and result in the disruption of approximately 21.5 cubic yards of soils during trenching. Total soil disturbance for the proposed trenching is approximately 28.24 cubic yards.** The project site is not located within a designated Historic District, does not contain any historically significant resources, and does not constitute a historic site. There are no registered historical landmarks or historical resources which meet the criteria of a significant historical resource as defined by the EMC, Title 15, Chapter 157 The Historic Preservation Ordinance¹. However, during trenching activities a qualified professional archaeologist will be retained for the purposes of examining the trench cross sections for evidence of intact soil horizons and cultural remains. Should any archaeological resources be encountered during construction activities, Mitigation Measures No. V-1 and V-2 will serve to effectively preserve and protect any resources discovered. Implementation of the mitigation measures listed below would reduce potential impacts to a level of less than significant. Less than significant with mitigation incorporated.

Section 4.5 (b) Discussion

As discussed above, only limited trenching (approximately ~~22.24~~ **28.24** cubic yards) is proposed to connect to existing underground utilities (municipal water and sewage supply facilities; refer to Sheet A-4); grading or other significant ground disruption activities are not proposed. There are no known archaeological resources which meet the criteria of a significant historical or archaeological resource as defined by §15064.5 (Thomson Reuters Westlaw Website²) within the Project area; no significant impact is anticipated. However, during trenching activities a qualified professional archaeologist will be retained for the purposes of examining the trench cross sections for evidence of intact soil horizons and cultural remains. Should any archaeological resources be encountered during construction activities, Mitigation Measure No. V-1 and V-2 will serve to effectively preserve and protect any resources discovered. Implementation of the mitigation measures listed below would reduce potential impacts to a level of less than significant. Less than significant with mitigation incorporated.



Section 4.5 (c) Discussion

The project site area has experienced significant ground disturbance and development activity in the past. It would be expected that any human remains present at the project site would be buried under several feet of existing fill, and because significant ground disturbing activities of the project are not proposed, it is unlikely that remains will be encountered during construction. In addition, as discussed above, during excavation activities related to the project site's environmental investigation performed in 2017, the Wiyot Tribe observed the excavated material and trenches for indigenous cultural artifacts. There were reportedly no indigenous cultural artifacts observed during the excavation activities. The area of excavation encompassed the area proposed for limited trenching to connect to existing underground sewer lines as part of the Project. ~~The area of the proposed water line trenching will be located between Buildings A and B in an area that has experienced significant development activity in the past.~~ However, since there will be some limited ground disturbance for trenching to connect to existing underground utilities, and it is possible, though unlikely, that work will uncover remains, resource protective mitigation is warranted and included as Mitigation Measure No. V-2. In addition, as discussed above, during trenching activities a qualified professional archaeologist will be retained for the purposes of examining the trench cross sections for evidence of intact soil horizons and cultural remains. Implementation of the mitigation measures listed below would reduce potential impacts to a level of less than significant. Less than significant with mitigation incorporated.

Section 4.8 Greenhouse Gas Emissions

The evaluation of Section 4.8 (a) is revised as follows:

The Project would generate GHGs emission by means of construction vehicle exhaust, generators, worker commuting trips, and product/business supply delivery trips. The GHG emissions associated with construction activities and site improvements would generate short-term (less than one year) emissions. The NCUAQMD and Humboldt County have not adopted any thresholds of significance for measuring impacts of GHG emissions generated by a proposed project. The operational emissions of GHGs from the Project would include vehicular exhaust from worker commutes, vehicular exhaust from delivery vehicles, operation of air and odor filtering units, heating and cooling of the buildings, and the use of artificial lights for the cultivation of cannabis. With that being said, the project site is in the service area of Redwood Coast Energy Authority (RCEA), whose purpose is to develop and implement sustainable energy initiatives that increase energy efficiency and utilize energy from secure, sustainable, and clean sources. RCEA provides the option of purchasing 100% renewable energy to customers (RCEA Website⁴) and the Pantheon Group has committed to obtaining energy from 100% renewable sources for the Project. Based on employee scheduling, up to approximately ~~48-24~~ **24** employee car trips (i.e., drive to work, ~~drive to lunch and back~~, then drive home is equal to ~~four~~ two vehicle trips per employee) are anticipated per day. Up to 10 delivery trucks (20 vehicle trips) are anticipated per month for the conveyance of cannabis operations supplies to the property and off-site delivery of cannabis products. As the estimated vehicle trips per day is less than 110, and the Project has committed to obtaining energy from 100% renewable



sources, no impact is anticipated. No impact.

Section 4.10 Hydrology and Water Quality

The evaluation of Section 4.10 (a) is revised as follows:

Minor utility trenching to connect to the existing municipal sewer and water lines at the property is proposed. ~~The trench to connect to existing municipal sewer facilities will be approximately 26 feet long, 2 feet wide and 3.5 feet deep, and result in the disruption of approximately 6.74 cubic yards of soils during trenching. The trench to connect the existing water line will be approximately 60 feet long, 2 feet wide and 3.5 feet deep, and the disruption of approximately 15.5 cubic yards of soils during trenching. Total soil disturbance for the proposed trenching is approximately 22.24 cubic yards (600 square feet).~~ **The trench to connect Building A to the existing municipal sewer facilities will be approximately 26 feet long, 2 feet wide and 3.5 feet deep, and result in the disruption of approximately 6.74 cubic yards of soils during trenching. The trench to connect Building B to the existing municipal sewer facilities will be approximately 167 feet long, 1 foot wide and 3.5 feet deep, and result in the disruption of approximately 21.5 cubic yards of soils during trenching. Total soil disturbance for the proposed trenching is approximately 28.24 cubic yards.** The proposed trenching will not produce a significant impact with the implementation of Best Management Practices (BMPs) in conformance with those developed by the California Stormwater Quality Association (CASQA) BMP Handbook (CASQA, 2020²), and following the Soil and Groundwater Management Plan (SGMP) prepared for the project site (EBA, 2020¹). The small volume of soils which will be excavated for trenching to connect to existing utilities will be stockpiled on and covered with plastic sheeting to minimize runoff. Implementation of BMPs will prevent adverse impact to water quality including violation of water quality standards and waste discharge requirements. No significant impact.

Section 4.17 (Setting) (a) Transportation

The evaluation in the following sections is supplemented as indicated.

Setting Discussion

Effective July 1, 2020, vehicle miles traveled (VMT) is the primary metric for evaluating transportation impacts under CEQA. The Governor's Office of Research (OPR) has published guidance that a 15% reduction in VMT per capita, relative to the regional average, be used as a significance threshold. Land use projects generally should be presumed to cause a less-than-significant transportation impact if they are within one-half mile of either an existing major transit stop or a stop along an existing high-quality transit corridor. ~~The project site is an existing high-quality transit corridor and is situated along a public transportation bus route.~~ **Although the highway adjacent to the project site in question does not meet the PRC criterion as an existing high-quality transit corridor, "the project site is situated on the Redwood Transit System's route which operates seven days a week and connects the communities as far south as Scotia,**



to Trinidad in the north. In addition, there are multiple bicycle and pedestrian options to access the project site, Broadway contains northbound and southbound bike lanes, pedestrian sidewalks, and the project site is in close proximity to the Hikshari Trail which provides options for non-motorized transportation to the property, all of which decrease VMT.” Also, projects that decrease VMT in the project area compared to existing conditions should be presumed to have a less-than-significant transportation impact. According to a Technical Advisory released by the Governor's Office of Planning and Research, the land use projects of interest in VMT analysis are residential, office, and retail (OPR 2018³). Manufacturing and agricultural projects are not mentioned. Also, new and seasonal employees are presumed to be from the local Eureka population and would not cause significant additional traffic in the area.

Section 4.17 (a) Discussion

The normal operations of the Project would generate approximately 48 ~~24~~ vehicle trips by employees to the property each day (12 employees arriving and departing from the project site, ~~and assumed lunch breaks~~), an estimated 20 vehicle trips a month for incoming and outgoing shipments by vendors and/or distributors, and a temporary increase during construction activities. The vehicle trips would be roughly split between the morning peak transportation period and the afternoon peak transportation period. As Broadway is rated to accommodate up to 35,000 vehicles per day, the increase of 48 ~~24~~ daily employee vehicle trips would not represent a significant impact on traffic during the peak transportation periods. In addition, the project site is situated on the Redwood Transit System's route which operates seven days a week and connects the communities as far south as Scotia, to Trinidad in the north. Further, there are multiple bicycle and pedestrian options to access the project site, Broadway contains northbound and southbound bike lanes, pedestrian sidewalks, and the project site's close proximity to the Hikshari Trail which provides options for non-motorized transportation to the property. The Project does not include any components that would remove or change the location of any sidewalk, bicycle lane, ride sharing or public transportation facility.

Due to the laborious nature of calculating mobile GHG emissions for the limited number of employees and deliveries for the Project, the general evaluation of mobile GHG emissions were evaluated using the Humboldt County Association of Government's (HCAOG) Eureka Broadway Multimodal Corridor Plan (Corridor Plan) (HCAOG, 2021). While this major infrastructure plan is still in the evaluation phase, multiple transportation studies were conducted in order to prepare the Corridor Plan. This plan intends to increase the accessibility and safety along Broadway (US Highway 101) for non-vehicular commuters by 2040. Calculations are based on the average person trip length of 9.2 miles as reported by the 2017 National Household Transportation Survey. The Corridor Plan suggests an estimated increase of new adult cyclist commuters would range between 101 and 228 which would produce a daily VMT reduction between 929 and 2,097 miles. Additionally, the Corridor Plan suggests a future daily increase of transit ridership of 592 persons which equates to a VMT reduction of 5,449 miles. The Corridor Plan also calculates emission reduction associated with the reduced VMT, with CO2 being reduced by 6,678 tons annually and PM10 and PM2.5 emission being reduced



by 0.113 tons per year. The location of the Proposed Project is within the Corridor Plan which would encourage the employees to utilize non-vehicular travel during lunch breaks and commuting.

It is also worth noting that historical property uses included a truck and heavy equipment repair facility for over 50 years. The Project as proposed is a much less intensive use and likely represents a significant reduction in vehicular trips to and from the project site from the historical use.

Based on the relatively low number of vehicle trips estimated as part of the Project, the Project is not anticipated to result in a degradation of the LOS for Broadway. In addition, with the project site's location directly off of Broadway, which has been designated a preferred truck route for "Goods Movement" (City of Eureka, 1997; Policy 3.E.1²). The Project is not anticipated to conflict with Transportation and Circulations goals, policies, ordinances, and programs outlined in Section 3 of the City of Eureka's General Plan (City of Eureka, 1997²). Sufficient on-site parking will be provided, and employees will be encouraged to utilize existing mass transit and non-motorized transportation to the project site. No significant impact.

Section 4.18 (a,b) Tribal and Cultural Resources

The evaluation in the following section is supplemented as indicated.

The Project will be utilizing two existing buildings at the project site, with minor soil disturbance associated with trenching to connect to the existing water and sanitary sewer infrastructure (refer to Sheet A-4). During an environmental remediation excavation at the project site in 2017, approximately 1,250 cubic yards of soil were removed as part of remedial actions. A representative from the Wiyot Tribe was onsite observing the excavation pit and the soil stockpile for evidence of cultural resources. No cultural resources were observed during the environmental remediation excavation (EBA, 2018¹). The proposed limited trenches at the project site are in close proximity to the area previously excavated. Further, a review of the Northwest Information Center's (NWIC) list of known cultural and historic sites in Humboldt County did not identify the project site or adjacent properties as containing tribal cultural resources. Due to the extensive ground disturbance from prior industrial development and the 2017 remedial actions at the project site, it is unlikely that archaeological resources will be encountered during trenching activities. The Project was referred to tribal representatives who initially requested Inadvertent Discovery Protocols be followed in the event of any unanticipated ground disturbance because the initial project description did not anticipate any ground disturbing activities. Then, it was determined that trenching to connect to the City's water and sewer facilities would be needed (see the 4.5 Cultural Resources section for more information) and then a second referral was sent to tribal representatives who requested a qualified professional archeologist will be retained for purposes of examining the cross sections of the proposed trenches for evidence of intact soil horizons and cultural remains. While it is unlikely that the project site would contain tribal cultural resources as the ground has been extensively disturbed, excavation activities could uncover previously unknown



subsurface tribal cultural resources. Implementation of the Mitigation Measures outlined below regarding inadvertent discoveries would reduce potential impacts to a level of less than significant. Less than significant with mitigation incorporation.

Section 4.19 (a, b) Utilities and Service Systems

The evaluation in the following section is supplemented as indicated.

Section 4.19 (a) Discussion

Limited trenching to connect to existing municipal water and sewage disposal facilities is proposed as part of the Project. No other modifications of existing utilities are proposed. Proposed utility trenching (approximately ~~22.24~~ **28.24** cubic yards [~~600 square feet~~]) will take place over existing impervious areas and will not cause any significant environmental effects as long as the measures outlined in the Soil and Groundwater Management Plan (EBA, 2020¹) prepared for the property are followed. In addition, the project site is relatively flat, the Project does not include the addition of impermeable surfaces at the property and would not result in any changes to drainage patterns at the property. Less than significant with mitigation incorporation.

Section 4.19 (b) Discussion

Water is purchased from the Humboldt Bay Municipal Water District (HBMWD) and is piped from its original source, subsurface wells on the Mad River near Blue Lake, to Eureka's 20-million-gallon storage reservoir (Humboldt Local Agency Formation Commission [HLAFC], 2014²). The capacity of the HBMWD system is approximately 75 million gallons per day (MGD) and the City of Eureka currently maintains an entitlement of 5.16 MGD (Freshwater Environmental Services [FES], 2016³). According to published information, projected demand by 2035 is 4.4 MGD (FES, 2016³).

The City of Eureka Municipal water supply is present at the project site via a connection to the City of Eureka water system's 12-inch water main that underlies the center turn lane on Broadway. A water meter is located in the planter area between the entrance to the east (front) building and Broadway. Typical on-site employee water demand is estimated to be 420 gallons per day based on a wastewater flow of 35 gallons per person per day for 12 employees using the factory-type establishment value from *Appendix C - Expected Daily Wastewater Flows of the Humboldt County Onsite Wastewater Treatment System (OWTS) Regulations and Technical Manual* (Humboldt County, 2017⁴). Water usage for the proposed cannabis operations is estimated to be approximately 2,400-gallons per day assuming ½-gallon of water per plant per day. A 5,000-gallon water tank with a reverse osmosis filtering system will be located in the mechanical yard near the exterior western wall of Building A, as shown on Sheet A-1 in Appendix B. The Pantheon Group will allow access to the stored water for local fire departments in case of an emergency. Based on the current reported water availability from the HBMWD for the City of Eureka (5.16 MGD), the Project will utilize approximately 2,820 gallons of water per day which equals approximately 0.055% of the City of Eureka's current allotment. As for the City of Eureka's projected demand of 4.4 MGP (by 2035), the Project will utilize approximately 0.065% of the projected allotment in 2035. **The HBMWD also owns and**



operates the R.W. Matthews Dam impounding water in Ruth Lake from the Mad River. HBMWD manages releases from the dam to ensure sufficient supplies downstream throughout the year. As of January 20, 2022, the reservoir (Ruth Reservoir) supplying recharge to the principle aquifer is at 101% capacity. This indicates that supplemental volumes of water are currently available for recharging the aquifer and providing surface water for riparian and fluvial processes. Further, the HBMWD Urban Water Management Plan 2020 indicates that 1977 was the only year of record the reservoir was not filled to capacity (HBMWD, 2020). The Project's estimated water usage and water demands can be met by existing entitlements from the HBMWD. No significant impact.

Section 4.19 (d) (e) Utilities and Service Systems

The reference to the agency regulating disposal of cannabis waste is revised as follows:

The solid waste provider in the Project area is the Humboldt Waste Management Authority (HWMA). Solid waste is collected by the HWMA and taken to the transfer station approximately two miles from the project site. The waste is then transferred to the Anderson Landfill in Anderson, California, and the Dry Creek Landfill in Medford, Oregon (HLAFC, 2014²). The Anderson Landfill has a daily permitted disposal of approximately 1,018 tons per day, and a remaining capacity of about eight million tons. Under current conditions, the Anderson Landfill is not expected to close until 2036. The Dry Creek Landfill has a remaining capacity of approximately 50 million tons. The Dry Creek Landfill has been estimated to have the remaining disposal capacity to provide for its current service area for another 75 to 100 years.

The disposal of cannabis waste is regulated by §17223 of the ~~Bureau of Cannabis Control (BCC), CalCannabis Cultivation Licensing (CCL), and the Manufactured Cannabis Safety Branch (MCSB)~~ **Department of Cannabis Control (DCC)**. Cannabis cultivators, processors, and nurseries licensed under the ~~BCC~~ **DCC** are not required to render their waste unusable and unrecognizable. However, entities that manufacture cannabis products and are licensed under ~~MCSB~~ **DCC**, and the testing laboratories and retail stores that are licensed under ~~BCC~~ **DCC**, are required by the ~~MCSB~~ **DCC** to render the cannabis goods/waste unusable and unrecognizable prior to leaving the licensed premises. The law considers cannabis waste to be a type of organic waste if it is not combined or does not contain any hazardous or toxic material. The law considers organic waste to be a type of solid waste, and, as such, a solid waste facility may handle and manage cannabis waste in accordance with Title 14 and Title 27 of the California Code of Regulations (CCR). By the end of 2020, cannabis cultivators that generate two or more cubic yards of organic waste per week must either compost on-site, self-haul to a facility that recycles organic waste, or have it picked up by a hauler that recycles organic waste. As required for a cannabis processor, leaves removed from an individual cannabis plant must be weighed and entered as waste into the system under the individual plant tags, or plant batch tags, unique identifier number (California Department of Food and Agriculture [CDFA]⁶). The total combined weight of the harvest waste (stems, stalks, degraded cannabis plant material, and general cannabis biomass) associated with a unique harvest



batch name must be entered into the California's Cannabis Tract and Trace Marijuana Enforcement, Tracking, Reporting, and Compliance (CCTT–METRC) web-hosted system under that same harvest-batch name.

Non-Cannabis/Solid Waste

Non-cannabis wastes will include empty soil, soil amendment, and fertilizer bags, empty plant pots or containers, and typical refuse. Non-cannabis wastes will be sorted to divert recyclables such as paper, plastic, glass, and metals from the waste stream, temporarily stored in the enclosed trash storage area near the loading zone adjacent to Building A (Sheet A), then taken to a recycling center. The remaining solid wastes and non-cannabis solid waste will be collected and deposited into a solid waste receptacle for temporary storage, which will be kept covered and stored in the enclosed trash storage area. The solid and non-cannabis waste will be removed from the project site as needed and disposed of at an authorized waste transfer facility. The solid waste receptacle will be sized appropriately for the volume of waste generated and may be adjusted in size periodically as conditions warrant.

Cannabis Waste

Cannabis waste will include stems, stalks, degraded cannabis plant material, extracted cannabis wastes, and general cannabis biomass. Consistent with **§17223 of the DCC** ~~§§8108 and 8308~~ of the CDEA regulations, cannabis waste will be managed for off-site disposal by properly licensed collection and processing providers, collection and processing by a local agency, a waste hauler franchised or contracted by a local agency, or a private waste hauler permitted by a local agency. The Project will follow all of the waste requirements set forth in ~~§§8108 and 8308~~, in addition to track and trace requirements regarding cannabis waste detailed in ~~§§8402-8405~~ of the CalCannabis **§17223 of the DCC** regulations. The cannabis waste will be made unusable and unrecognizable prior to leaving the project site using a method involving grinding and incorporating the cannabis waste with approved non-consumable solid wastes (such as sand or “kitty litter”) such that the resulting mixture is at least 50 percent non-cannabis waste. Pending disposal, cannabis waste will be temporarily stored in secured, closed-top containers to prevent the release of odors in the enclosed trash storage area referenced above.

Section 5.1 Mandatory Findings of Significance

The evaluation in the following section is supplemented as indicated.

- 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?



Less than significant with mitigation incorporated. The project site has been highly disturbed by past commercial and light industrial uses that have modified the existing property features with a majority of the property being covered with hardscape (asphalt and concrete) and buildings. Implementation of the Project would not significantly degrade the quality of the environment because the project site has been extensively altered by prior development associated with the historical uses of the property (truck and heavy equipment repair and sales facility, retail sales of on- and off-road vehicles, various other small commercial businesses), and the Project does not include the construction of new buildings, any new hardscape/impermeable surfaces, or the alteration of any exterior portions of the property besides minimal trenching for connection to existing municipal water and sewer facilities. Although some short-term potential indirect impacts may occur in the Project area resulting from construction noise and generation of dust, Project implementation will not result in the loss of any sensitive habitat or species, including both terrestrial and aquatic species or to other sensitive receptors in the area surrounding the project site. The Project has been designed to avoid the creation of such impacts by proposing all cannabis operations inside existing buildings and minimizing exterior ground disturbing activities to two relatively short trenches for connecting to existing utilities. In addition, although no cultural or resources are known to be located on the project site, and important historic resources are not anticipated to be adversely affected by the Project, monitoring during trenching activities by a property licensed professional archeologist as a required mitigation measure will ensure that any potential artifacts that may be encountered will be evaluated and appropriate measures implemented.



4.0 – REFERENCES

City of Eureka, 1997. City of Eureka General Plan (<https://www.ci.eureka.ca.gov/civicax/filebank/blobdload.aspx?BlobID=6847>)

EBA, 2021. *Initial Study/Proposed Mitigated Negative Declaration, Pantheon Group Commercial Cannabis Cultivation, Non-Volatile Manufacturing and Distribution Facility, 3990 Broadway, Eureka, California.* Dated December 2021.

EMC. *Eureka Municipal Code Chapter 5: Zoning/Inland Zoning* (https://www.ci.eureka.ca.gov/ci_vicax/filebank/blobdload.aspx?BlobID=15654)

HBMWD, 2020. *Humboldt Bay Municipal Water District Urban Water Management Plan.* Dated 2020. (<https://www.hbmwd.com/files/03d84a5c2/UWMP-2020+final.pdf>)

HCAG, 2021. *Eureka Broadway Multimodal Corridor Plan.* Dated February 2021. (https://www.hcaog.net/sites/default/files/eureka_broadway_multimodal_corridor_final_report.pdf)

HLAFC, 2014. *City of Eureka Municipal Service Review.* Dated January 15, 2014 (http://humboldtlaico.org/wp-content/uploads/Eureka-Adopted-MSR_1-15-14.pdf)

Humboldt County, 2017. Humboldt County Department of Health and Human Services, Humboldt County Onsite Wastewater Treatment System (OWTS) Regulations and Technical Manual. Dated November 7, 2017 (<https://humboldt.gov/DocumentCenter/View/62933/Onsite-Wastewater-Treatment-System-OWTS-Regulations-and-Technical-Manual-PDF>)

FES, 2016. *2015 Urban Water Management Plan for the City of Eureka, California.* Dated May 26, 2016 (<http://new.ci.eureka.ca.gov/civicax/filebank/blobdload.aspx?BlobID=12595>)

OPR, 2018. *Technical Advisory on Evaluating Transportation Impacts in CEQA* (https://www.opr.ca.gov/docs/20190122-743_Technical_Advisory.pdf)

RCEA Website (<https://redwoodenergy.org/community-choice-energy/business-and-government/business-and-government-overview/>)

APPENDIX A
DCC & CALTRANS COMMENTS

California Department of Transportation

DISTRICT 1
P.O. BOX 3700 | EUREKA, CA 95502-3700
(707) 445-6600 | FAX (707) 441-6314 TTY 711
www.dot.ca.gov



January 21, 2022

1-HUM-101- 75.691
Pantheon Group Cannabis
CUP-20-0002

Caitlin Castellano, Planner
Development Services
City of Eureka
531 K Street
Eureka, CA 95501

Dear Ms. Castellano:

Thank you for the opportunity to comment on the proposed Pantheon Group Cannabis Cultivation Site. The Pantheon Group is seeking a Conditional Use Permit (CUP-20-0002) for two separate cultivation areas/licenses less than 5,000 square feet each, a Minor Use Permit (MUP-20-0004) for non-volatile manufacturing less than 5,000 square feet of floor area, and Coastal Development Permit (CDP-20-0002) within two existing commercial warehouse buildings. The distribution use is principally permitted. The location is at 3990 Broadway Street in Eureka. The project is located at 3990 Broadway, Eureka (APN 019-241-002). We have the following comments:

Caltrans District 1 does not have conditions to be placed on the project at this time however we have concerns regarding the Initial Study which are detailed in the section below.

Informational Comments:

The Initial Study Document states that the project site is within an existing high-quality transit corridor. The California Public Resources Code (PRC § 21155) states that a high-quality transit corridor is a corridor with fixed route bus service with service intervals no longer than 15 minutes during peak commute hours. The highway adjacent to the project site in question does not meet this criterion.

Chapter 2 (Project Description) of the Initial Study document lists 13 separate, existing businesses occupying the parcel, including a drive-through coffee shop. A separate parcel, detached from Broadway, also utilizes the project parcel for access. The Initial Study Document (Discussion & Findings section) discusses only the incremental impacts

Ms. Caitlin Castellano, Planner
1/21/22
Page 2

to transportation but omits the total cumulative impacts the project and all the existing operations on the parcel add to the transportation system.

The Initial Study document states: "At peak operation, the estimated maximum number of staff on-site will be 12 employees, with hours of operation being 8:00 am to 6:00 pm, seven days a week." It also states that these 12 employees could generate up to 48 trips per day on site, in addition to as many as 20 trips per month due to deliveries to commercial dispensaries. These trip calculations, however, do not include indirect trips relating to materials, supplies, installation, repair, and maintenance.

In Chapter 4 (Environmental Analysis) of the Initial Study document, under section 4.8 (Greenhouse Gas Emissions), both questions are marked "No Impact." This is based solely upon the incremental impact this project adds to the commercial operations on the parcel. There is, however, no discussion of the cumulative impact of all operations on the parcel.

Please contact me by email with questions or for further assistance with this letter at: <Jacob.rightnar@dot.ca.gov>.

Sincerely,

A handwritten signature in black ink that reads "Jacob Rightnar". The signature is written in a cursive, flowing style.

Jacob Rightnar
Transportation Planning
Caltrans District 1



January 19, 2022

City of Eureka, Development Services – Planning
Attn: Caitlin Castellano, Senior Planner
531 K Street, 3rd Floor
Eureka, CA 95501
email: ccastellano@ci.eureka.gov

Re: Initial Study/Mitigated Negative Declaration (IS/MND) for Pantheon Group
Commercial Cannabis Cultivation, Non-volatile Manufacturing, and Distribution Facility
(SCH No. 2021120494)

Dear Ms. Castellano:

Thank you for providing the California Department of Cannabis Control (DCC) the opportunity to comment on the Initial Study/Mitigated Negative Declaration (IS/MND) prepared by the City of Eureka for the proposed Pantheon Group Commercial Cannabis Cultivation, Non-volatile Manufacturing, and Distribution Facility (Proposed Project).

DCC has jurisdiction over the issuance of licenses to commercial cannabis cultivation, distribution, and manufacturing businesses in California. DCC may issue cultivation, distribution, and/or manufacturing licenses to cannabis businesses that meets all licensing requirements, and where the local jurisdiction authorizes these activities. (Bus. & Prof. Code, § 26012(a).) All commercial cannabis businesses within the California require a license from DCC. For more information pertaining to commercial cannabis business license requirements, including DCC regulations, please visit: <https://cannabis.ca.gov/resources/rulemaking/>.

DCC expects to be a Responsible Agency for this project under the California Environmental Quality Act (CEQA) because the project would need to obtain one or more annual cultivation, distribution, and manufacturing licenses from DCC. In order to ensure that the IS/MND is sufficient for DCC's needs at that time, DCC requests that a copy of the IS/MND, revised to respond to the comments provided in this letter, and a signed Notice of Determination be provided to the applicant, so the applicant can include them with the application package it submits to DCC. This should apply not only to this Proposed Project, but to all future CEQA documents related to cannabis cultivation applications in City of Eureka.

DCC offers the following comments concerning the IS/MND.

General Comments (GCs)

GC 1: Cannabis Licensing Agency Consolidation and Regulations

In July 2021, the three former state cannabis authorities (the Bureau of Cannabis Control, CalCannabis Cultivation Licensing Division, and the Manufactured Cannabis Safety Branch) consolidated to form a single state cannabis licensing agency, the Department of Cannabis Control. DCC licenses and regulates all cannabis businesses in California. As part of this consolidation, DCC has published regulations containing environmental protection measures, designed to reduce the severity of environmental impacts for several resource topics. The IS/MND's analysis could benefit from updates to its citation of state regulations, as well as additional discussion of the protections for environmental resources provided by DCC's regulations, and a discussion of how these regulations may affect or reduce the severity of the Proposed Project's environmental impacts. Current DCC regulations can be found at: <https://cannabis.ca.gov/resources/rulemaking/>.

GC 2: Evaluation of Cumulative Impacts

The IS/MND would be improved by analyzing the potential for cumulative impacts resulting from the Proposed Project coupled with other cannabis cultivation projects being processed by the City, and any other reasonably foreseeable projects in the City of Eureka that could contribute to cumulative impacts similar to those of the Proposed Project. The analyses that would have particular importance include:

- cumulative impacts from groundwater diversions on the health of the underlying aquifer, including impacts on other users and impacts on stream-related resources connected to the aquifer;
- cumulative impacts related to transportation; and
- cumulative impacts related to air quality and objectionable odors.

For impacts that would result in potentially significant impacts, the document should specify mitigation measures to reduce or avoid such impacts. If mitigation measures would not reduce impact to less than significant levels, an IS/MND would not be the appropriate CEQA document for the Proposed Project.

Specific Comments and Recommendations

In addition to the general comments provide above, DCC provides the following specific comments regarding the analysis in the IS/MND.

| Comment No. | Section Nos. | Page No(s). | Resource Topic(s) | IS/MND Text | DCC Comments and Recommendations |
|--------------------|---------------------|--------------------|---|---|---|
| 1 | 2.15 | 13 | Other Public Agencies whose approval is, or may be required | N/A (General Comment) | The IS/MND would be improved if it contained more details of the AB 52 compliance process, including a list of tribes that were contacted. |
| 2 | 4.1(d) | 18 | Aesthetics | N/A (General Comment) | The IS/MND would be strengthened if it referenced DCC’s requirements that all outdoor lighting for security purposes must be shielded and downward facing. (Cal. Code Regs., tit. 4 §16304(a)(7)). |
| 3 | 4.3(b) | 23 | Air Quality | The Project would not result in a cumulatively considerable net increase of any criteria pollutant for which the project site region is non-attainment under an applicable federal or state air quality standard. | The document would be improved if it contained an analysis to support its conclusion, including a discussion of any other cannabis growing operations that exist or are proposed in the vicinity of the Proposed Project. |
| 4 | 4.6 (b) | 32 | Energy | N/A (General Comment) | The IS/MND would be strengthened if it referenced DCC’s regulations relating to the use of renewable energy in cultivation projects. (Cal. Code Regs., tit. 4 § 16305.) |
| 5 | 4.8 | 36 | Greenhouse Gas Emissions | N/A (General Comment) | The document uses the Technical Advisory on Evaluating Transportation Impacts in CEQA (Governor’s Office of Planning & Research [OPR], 2018) to evaluate GHG emissions for the Proposed Project. The VMT analysis in that document is intended for the evaluation of transportation impacts. The document would be improved if it provided data related to mobile |

| Comment No. | Section Nos. | Page No(s). | Resource Topic(s) | IS/MND Text | DCC Comments and Recommendations |
|-------------|--------------|-------------|------------------------------------|---|---|
| | | | | | GHG emissions for the Proposed Project. |
| 6 | 4.10(b) | 44 | Hydrology and Water Quality | Some water would be used for dust suppression; however, and the Project would draw from the City of Eureka’s water supply. The Project would not require the use of groundwater. | The IS/MND would be more informative if it provided additional information regarding the City of Eureka’s water sources and supply. |
| 7 | 4.13(a) | 48 | Noise | The noise generated from the Project, which would be limited to traffic, commercial activity noise, and occasional landscaping and maintenance would be buffered by the existing ambient noise generated by traffic along Broadway. These activities alone are not anticipated to exceed the General Plan thresholds, nor are they anticipated to increase noise levels to an unacceptable level at the residential uses. | The document would be improved if it provided data to support its conclusions. |
| 8 | 4.19(b) | 58 | Utilities and Service Systems | Water usage for the proposed cannabis operations is estimated to be approximately 2,400-gallons per day assuming ½-gallon of water per plant per day. | The document would be more informative if it provided a source for its water use estimates. |
| 9 | 5.1 | 63 | Mandatory Findings of Significance | N/A (General Comment) | The IS/MND should identify whether any other cannabis growing operations exist or have been proposed in the vicinity of the Proposed Project, and provide an analysis of whether the Proposed |

| Comment No. | Section Nos. | Page No(s). | Resource Topic(s) | IS/MND Text | DCC Comments and Recommendations |
|-------------|--------------|-------------|-------------------|-------------|---|
| | | | | | Project would make a considerable contribution to any cumulative impacts from these other projects. (See GC 2.) |

Conclusion

DCC appreciates the opportunity to provide comments on the IS/MND for the Proposed Project. If you have any questions about our comments or wish to discuss them, please contact Kevin Ponce, Senior Environmental Scientist Supervisor, at (916) 247-1659 or via e-mail at Kevin.Ponce@cannabis.ca.gov.

Sincerely,

Lindsay Rains
Licensing Program Manager

APPENDIX B

**AB 52 CONSULTATION
SUPPORTING DOCUMENTATION**



Invitation to Consult for a Development Project

AB52 Referral

Due Date: April 30, 2021

Date: March 31, 2021

Project Title: Pantheon Group Multi-Use Cannabis Facility Use Permits and Coast Development Permit

Project Applicant: Pantheon Group (Michael Willison)

Location: 3990 Broadway

APN: 019-241-002

Project Numbers: ED-21-0001; CUP-20-0002; MUP-20-0004, and CDP-20-0002

Zoning and General Plan Designation: Service Commercial (CS)/General Service Commercial (GSC)

Description: The applicant began work on a California Environmental Quality Act (CEQA) document, and pursuant to AB52, the City is extending an invitation to consult on the project.

The applicant is proposing a multi-use cannabis facility comprised of indoor cultivation, non-volatile manufacturing, and distribution within two existing and adjacent metal structures (Buildings A and B). No changes to the existing building footprints are proposed; however, tenant improvements are proposed in order to accommodate the new cannabis uses, and ground disturbing activities are proposed for utilities trenching (see attached site plan, and red dash line).

The original project referral was sent on March 23, 2020; however, specific information in the ground disturbing activities, as well as the need for completion of a CEQA environmental document, were unknown at that time. Trenching dimensions have been recently submitted which detail the extent for the ground disturbing activities, which are as follows:

- Trench Length = 26'
- Trench Width = 2'
- Expected Trench Depth = 3.5'
- Excavation Volume = 182 cubic feet / 6.74 cubic yards

I look forward to hearing from you by Friday, April 30, 2021.

Contact:

Name: Caitlin Castellano, Senior Planner **Phone:** (707) 268-5265

Email: ccastellano@ci.eureka.ca.gov