

X

Initial Study – Environmental Checklist

Project Title & No. Pegaso, Inc. Conditional Use Permit ED19-107 (DRC2018-00177)

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.



DETERMINATION: (To be completed by the Lead Agency)

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

The proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

Although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

The proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

The proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

Although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Brandi Cummings, SWCA	Rondi A		January 14, 2020
Environmental Consultants	- Junner	Ner	January 14, 2020
Prepared by (Print)	Signature	ð	Date
Dave Moran	Landonenan	(for) Xzandrea Fowler Environmental Coordinator	1/15/2020
Reviewed by (Print)	Signature		Date

PAGE 1 OF 92

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: The proposed project is a request by **Pegaso, Inc.** for a Conditional Use Permit (DRC2018-00177) to establish multiple cannabis activities, including indoor mixed-light and outdoor cultivation, nursery, and manufacturing, on a portion of a 225-acre parcel located within a rural area approximately 2.2 miles northwest of Pozo Village and 5.3 miles east of the entrance to Santa Margarita Lake. The project would be developed in two phases and at full buildout would include approximately 3.5 acres (152,000 square-feet [sf]) of indoor and outdoor mature cannabis cultivation canopy, up to 16,000 sf of immature cannabis cultivation canopy (nursery), and manufacturing of the cannabis grown on-site. The proposed project would result in the disturbance of approximately 10 acres and would result in approximately 6,182 cubic yards of cut and 6,182 cubic yards of fill (total of 12,364 cubic yards of earthwork). The project is located at 1245 River Road within the Las Pilitas Sub Planning Area of the North County Area Plan and within the Agriculture Land Use Category.

Phase 1 of the project would include the establishment of 3 acres (130,680 sf) of outdoor cultivation and site security improvements. The outdoor cultivation would occur on an existing plowed field near the center of the property that is currently, and has historically been, used to grow alfalfa. The cultivation would occur in fabric pots and aboveground in temporary hoop structures. Existing irrigation lines would be used for the irrigation of the plants. No grading or vegetation removal would be required to implement Phase 1. A 6-foot-high chain-link fence with silt fencing along the bottom would be erected around the perimeter of the operation, including the areas proposed with Phase 2. Temporary restroom facilities (port-a-potties) and wash trailers would be located at the west end of the outdoor cultivation area, on an existing graded area. The parking area would be covered with Class II base, similar to the access driveway.

Phase 2 would include the construction of three greenhouses (12,960 sf each) and a processing/manufacturing structure (headhouse) to the west of the outdoor cultivation area. One greenhouse would be used for the nursery operation (16,000 sf canopy area using stacked rows) and two would be used for the indoor mixed-light cultivation (22,000 sf canopy area). The headhouse (9,500 sf) would be used for ancillary processing activities (drying, trimming, packaging, and extraction) of the cannabis grown on-site and would contain permanent restroom and shower facilities. Grading would be required to level the pads for the four structures, and to provide vehicle access

around the facilities.

Access to the cannabis operation would occur via an existing graded dirt road that connects to the property entrance on River Road. The road would be maintained with a Class II base (crushed aggregate). The proposed outdoor cultivation area would be located a minimum of 300 feet from the nearest property lines of the site and a minimum of 1,300 feet from the public right-of-way in accordance with County of San Luis Obispo (County) Land Use Ordinance (LUO) Section 22.40.050.D.3.b. In addition, each of the three proposed greenhouses and the proposed processing building would be equipped with carbon scrubbers in accordance with LUO Section 22.40.050.D.8.

The project would employ up to 12 full-time employees, with an average of eight employees on-site each day, and the hours of operation would be from 8:00 a.m. to 4:00 p.m., 7 days a week. During peak harvest times, the operation could employ up to 25 additional part-time/temporary employees. The outdoor cultivation area would be harvested three times per year and the indoor cultivations areas would be harvested three to four times a year. The proposed on-site ancillary nursery would be used to support on-site cannabis cultivation only and would not be distributed off-site. The project is expected to generate a maximum of 48 daily trips including up to five vehicle trips during the PM peak hour (4:00 p.m. to 6:00 p.m.). The project would not include sales on-site and no exterior signage is proposed.

The 225-acre project parcel is largely undeveloped with the exception of two existing single-family residences, barns, horse arenas, a pond, and large agriculture/crop pastures. The project site is accessed by a dirt driveway off River Road. On-site vegetation generally consists of oak woodland, fallow cropland, and annual mustard, grasses, and forbs. Two intermittent streams, including Toro Creek, and two ephemeral streams cross the project site and contain sparse to well-developed riparian vegetation.

Ordinance Modification: The project request includes a modification from the parking provisions set forth in LUO Section 22.18.050.C.1. The type of commercial agricultural use that is most similar to the proposed cannabis cultivation is "Nursery Specialties" which requires parking at a ratio of one parking space per 500 sf of floor area is the minimum requirement for nursery specialties. The proposed greenhouses and headhouse building would total approximately 40,000 sf, which, with the application of this parking standard, would require the applicant to provide 80 parking spaces. The project proposes 26 designated all-weather (decomposed granite) parking spaces (including Americans with Disabilities Act [ADA] spaces), and additional room for parking is available adjacent to the greenhouses. Up to 37 employees could be on-site at any time during the day during peak harvest times; therefore, the 26 proposed designated spaces, along with the additional parking areas, would be sufficient to meet the parking demands of the project.

ASSESSOR PARCEL NUMBER(S): 071-201-053, -054

Latitude: ° ' " N Longitude: ° ' " W SUPERVISORIAL DISTRICT # 5

Other Public Agencies Whose Approval is Required

Permit Type/Action	Agency
Connabie sultivation license	California Department of Food and Agriculture
	(CDFA), CalCannabis Cultivation Licensing Division
Connobia monutacturing license	California Department of Public Health (CDPH),
	Manufactured Cannabis Safety Branch
Lake and Streambed Alteration (LSA) Agreement or	California Department of Fish and Wildlife (CDFW),
written verification that one is not needed	Cannabis Program

DRC2018-00177 Pegaso Inc.

Initial Study – Environmental Checklist

Small Irrigation Use Registration and coverage	California State Water Resources Control Board
under the Cannabis Cultivation General Order	(SWRCB)

A more complete discussion of other agency approvals and licensing requirements is provided in Appendix A of this Initial Study.

B. Existing Setting

Land Use ∠egory:AgricultureCombinier Designation:Flood Hazard Sensitive Resource AreaParcel Size:acresTopograph:Nearly level to moderately slopingVegetatior:Scattered Oaks Grasses Dryland grain productionExisting Use:Agricultural uses single-family residence(s) undevelopedSurroundier Lands; undeveloped agricultural usesEast:North:Rural Lands; undeveloped agricultural usesSouth:Agriculture; usesVegetatior:East:North:Agriculture; usesParcel Single-family residence(s)Kest:Agriculture; use descentionKest:Agriculture; use descentionKest:	Plan Area:	North County	Sub:	Las Pilitas	Comm:	Rural
Combining Designation: Flood Hazard Sensitive Resource Area Parcel Size: acres Topography: Nearly level to moderately sloping Vegetation: Scattered Oaks Grasses Dryland grain production Existing Use: Agricultural uses single-family residence(s) undeveloped Surroundir: Lands; undeveloped agricultural uses single-family residence(s) North: Rural Lands; undeveloped agricultural uses single-family residence(s) South: Agriculture: undeveloped agricultural uses	Land Use C	Category:	Agriculture			
Parcel Size: acres Topograpie: Nearly level to moderately slopie; Vegetation: Scattered Oaks Grasses Dryland grain production Existing U:: Agricultural uses single-family residence(s) undeveloped Surround: Scattered Vsees: North: Rural Lands; undeveloped agricultural uses single-family residence(s) South: Agriculture:	Combining	Designation:	Flood Hazard Sensitive	Resource Area		
Topograpie Nearly level to moderately slopies Vegetation: Scattered Oaks Grasses Dryland grain production Existing Uees: Agricultural uses single-family residence(s) undeveloped Surround: East: North: Rural Lands; undeveloped agricultural uses single-family residence(s) South: Agriculture; undeveloped agricultural uses	Parcel Size	:	acres			
Vegetation: Scattered Oaks Grasses Dryland grain production Existing Use: Agricultural uses single-family residence(s) undeveloped Surroundire Land Use Categories and Uses: Karal Lands; undeveloped agricultural uses single-family residence(s) North: Rural Lands; undeveloped agricultural uses single-family residence(s) South: Agriculture; undeveloped	Topograph	ıy:	Nearly level to moderate	tely sloping		
Existing Use: Agricultural uses single-family residence(s) undeveloped Surroundir Land Use Categories and Uses: North: Rural Lands; undeveloped agricultural uses single-family residence(s) East: Rural Lands; undeveloped South: Agriculture; undeveloped West: Agriculture; undeveloped agricultural uses	Vegetatior	Vegetation: Scattered Oaks Grasses Dryland grain production				
Surrounding Land Use Categories and Uses: North: Rural Lands; undeveloped agricultural uses single-family residence(s) South: Agriculture; undeveloped West: Agriculture; undeveloped agricultural uses	Existing Uses:		Agricultural uses single-family residence(s) undeveloped			
North: Rural Lands; undeveloped agricultural uses single-family residence(s) East: Rural Lands; undeveloped South: Agriculture; undeveloped West: Agriculture; undeveloped agricultural uses	Surroundii	ng Land Use Categ	ories and Uses:			
<i>South:</i> Agriculture; undeveloped <i>West:</i> Agriculture; undeveloped agricultural uses	North:	Rural Lands; undev single-family reside	eloped agricultural uses ence(s)	East:	Rural Lands; undeveloped	
	South:	Agriculture; undeve	eloped	West:	Agriculture; undeveloped	agricultural uses

C. Environmental Analysis

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

DRC2018-00177

Pegaso Inc.

Initial Study – Environmental Checklist



Figure 1: Project Vicinity Map

976 OSOS STREET, ROOM 300 | SAN LUIS OBISPO, CA 93408 |(805) 781-5600 | TTY/TRS 7-1-1 planning@co.slo.ca.us | www.sloplanning.org

DRC2018-00177

Initial Study – Environmental Checklist





DRC2018-00177 Pegaso Inc.

PLN-2039 04/2019

Initial Study – Environmental Checklist

Figure 3: Property Plan



976 OSOS STREET, ROOM 300 | SAN LUIS OBISPO, CA 93408 |(805) 781-5600 | TTY/TRS 7-1-1 planning@co.slo.ca.us | www.sloplanning.org DRC2018-00177

Pegaso Inc.



Initial Study – Environmental Checklist

Figure 4: Site Plan



976 OSOS STREET, ROOM 300 | SAN LUIS OBISPO, CA 93408 |(805) 781-5600 | TTY/TRS 7-1-1 planning@co.slo.ca.us | www.sloplanning.org

PAGE 8 OF 92

I. AESTHETICS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Exce	pt as provided in Public Resources Code Section .	21099, would the	project:		
(a)	Have a substantial adverse effect on a scenic vista?			\boxtimes	
(b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				\boxtimes
(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?		\boxtimes		

Setting

CEQA establishes that it is the policy of the state to take all action necessary to provide people of the state "with... enjoyment of aesthetic, natural, scenic and historic environmental qualities" (Public Resources Code Section 21001(b)).

A scenic vista is generally defined as a high-quality view displaying good aesthetic and compositional values that can be seen from public viewpoints. Some scenic vistas are officially or informally designated by public agencies or other organizations. A substantial adverse effect on a scenic vista would occur if the project would significantly degrade the scenic landscape as viewed from public roads or other public areas. A proposed project's potential effect on a scenic vista is largely dependent upon the degree to which it would complement or contrast with the natural setting, the degree to which it would be noticeable in the existing environment, and whether it detracts from or complements the scenic vista.

California's Scenic Highway Program was created by the State Legislature in 1963 with the intention of protecting and enhancing the natural scenic beauty of California highways and adjacent corridors. There are several officially designated state scenic highways and several eligible state scenic highways within the county. State Route 1 is an Officially Designated State Scenic Highway and All-American Road from the City of San Luis Obispo to the northern San Luis Obispo County boundary. A portion of Nacimiento Lake Drive is an Officially Designated County Scenic Highway. Portions of Highway 101, Highway 46, Highway 41, Highway 166, and Highway 33 are also classified as Eligible State Scenic Highways – Not Officially Designated.

The County of San Luis Obispo Inland Land Use Ordinance (LUO) establishes regulations for exterior lighting (LUO 22.10.060), height limitations for each land use category (LUO 22.10.090), scenic highway corridor standards (LUO 22.10.095), and other visual resource protection policies. These regulations are intended to help the County achieve its Strategic Growth Principles of preserving scenic natural beauty and fostering distinctive, attractive communities with a strong sense of place as set forth in the County Land Use Element.

The LUO also maps portions of the Salinas River Highway Corridor, the San Luis Obispo Highway Corridor, and the South County Highway Corridor to comply with County highway corridor design standards. These standards include but are not limited to setbacks from highway rights-of-way, guidelines for development along ridgelines, limitations on graded slopes, protection of landmark features, and standards for building height and color (LUO 22.10.095).

The County of San Luis Obispo LUO defines a Sensitive Resource Area (SRA) combining designation that applies to areas having high environmental quality and special ecological or educational significance. These designated areas are considered visual resources by the County and the LUO establishes specific standards for projects located within these areas. These standards include but are not limited to set back distances from public viewpoints, prohibition of development that silhouettes against the sky, grading slope limitations, set back distances from significant rock outcrops, design standards including height limitations and color palette, and landscaping plan requirements.

In addition to policies set forth in the LUO, the County Conservation and Open Space Element (COSE) provides guidelines for the appropriate placement of development so that the natural landscape continues to be the dominant view in rural parts of the county and to ensure the visual character contributes to a robust sense of place in urban areas. The COSE provides a number of goals and policies to protect the visual character and identify of the county while protecting private property rights, such as the identification and protection of community separators (rural-appearing land located between separate, identifiable communities and towns), designation of scenic corridors along public roads and highways throughout the county, retaining existing access to scenic vista points, and setting the standard that new development in urban and village areas shall be consistent with the local character, identify, and sense of place.

State law also sets forth general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Section 8304 (c) states: All outdoor lighting used for security purposes shall be shielded and downward facing. Section 8304 (g) states: mixed-light license types of all tiers and sizes shall ensure that lights used for cultivation are shielded from sunset to sunrise to avoid nighttime glare.

The project site is located within a rural area approximately 2.2 miles northwest of the town of Pozo and 5.3 miles east of the entrance to Santa Margarita Lake. The 225-acre project parcel is largely undeveloped with the exception of two existing single-family residences, barns, horse arenas, a pond, and large agriculture/crop pastures. The project site is accessed by a dirt driveway off River Road, which is not a State Designated Scenic Highway, nor is it listed on Table VL-1 of the Conservation and Open Space Element as a suggested scenic corridor. On-site vegetation generally consists of oak woodland, fallow cropland, and annual mustard, grasses, and forbs. Two intermittent streams, including Toro Creek, and two ephemeral streams cross the project site and contain sparse to well-developed riparian vegetation.

The visual character of the project vicinity is characterized by undeveloped rural lands with scattered oak woodland, scattered rural residences and agricultural structures, and gently to moderately sloping hills. Topography of the site ranges between nearly level at the northern two-thirds of the site to moderately sloping at the southern third. The project parcel is bordered to the south and east by steeply sloping, undeveloped foothills leading to the La Panza mountain range to the east. These areas are densely vegetated and largely undeveloped.

Initial Study – Environmental Checklist

Figure 5: Streams Map



Initial Study – Environmental Checklist

Surrounding land to the west and north of the project site is sparsely developed with scattered rural residences and vegetation consisting of cropland/pastures, grassland, and scattered oak woodland.

The project site is located in a very rural portion of San Luis Obispo County with minimal development and little light pollution. According to DarkSiteFinder and lightpollutionmap.info, the project site is located in one of the least light-polluted areas of the county, with a Bortle classification of 3 (rural sky) and an artificial brightness level of 23.1 μ cd/m2. (A measure of luminance in units of micro candelas per square meter. A higher number indicates higher luminance. By comparison, downtown Atascadero has a luminance of 541 μ cd/m2.)

Discussion

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

The project includes the establishment of cannabis cultivation within a rural, largely undeveloped area. However, this proposed use and its associated components would not be visible from surrounding public roadways due to the existing vegetation and site topography. Additionally, the County of San Luis Obispo General Plan does not designate any scenic resources in this area. The existing topography and vegetation will prevent cannabis plants from being readily visible from offsite as required by LUO Section 22.40 050 D.6. The project is not located within an identified scenic vista, visually sensitive area, scenic corridor, or an area of high scenic quality that would be seen from key public viewpoints. Therefore, the project would not have a substantial adverse effect on a scenic vista and impacts would be *less than significant*.

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

The project is not located within the viewshed of a designated or eligible state scenic highway and implementation of the project would not result in damage to scenic resources within the viewshed of a state scenic highway. Therefore, *no impacts 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 is located in a non-urbanized area and would not be visible from surrounding public roadways due to existing vegetation and site topography. The project would not result in a noticeable change to public views of the area and, therefore, would not result in the degradation of the existing visual character or quality of public views of the site and its surroundings. The project would not result in a significant change to the visual character of the area, and 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?

The project proposes both outdoor and indoor cultivation activities. Outdoor cultivation would occur in hoop house structures and would use primitive light deprivation techniques to induce plant flowering. No artificial lighting would be used with the outdoor cultivation. The indoor mixed-light cultivation greenhouses would use both light deprivation techniques and artificial lighting. Artificial "grow" lights would be used during low-light periods and at night for certain grow phases. The nursery greenhouse may also use grow lights during the vegetative stage of plants. Approximately 600 1,000-watt lamps would be used at varying times and for varying durations and would produce approximately 117,000 lumens each (for reference, a 75-watt incandescent light bulb produces approximately 1,100 lumens). Because light deprivation techniques will be used, the applicant is proposing to install greenhouses with

Initial Study – Environmental Checklist

an electronically controlled blackout system (Next G3N or similar). Due to the rural sky nature of the area, artificial lighting that escapes the facilities could have the potential to impact both nearby residents, visitors camping on public lands (U.S. Forest Service and Bureau of Land Management), and wildlife species. Mitigation Measure AES-1 would require that the blackout system be engaged between dusk and dawn anytime when the grow lights are active, in order to prevent any glare or night lighting from escaping the facilities.

The headhouse would be equipped with workspace lighting in controlled areas indoors. The perimeters of the headhouse and greenhouses would be equipped with outdoor safety lighting, activated by motion sensor. The lighting would be placed at eave or roof ridgeline height of the structures (approximately 10–12 feet above grade) with down-focused flood beams. Additional security lighting would be placed around the perimeter of the project, atop 10-to-12-foot-tall poles, with downward focused flood beams activated by motion sensor. The secured entrance to the project area would be equipped with very low intensity lighting (approximately 20 lumens) for guidance that will remain on during the dusk to dawn hours. The purpose of this lighting is to provide visibility for access to the gate operation controls. With implementation of AES-1, impacts would be *less than significant with mitigation*.

Conclusion

The project proposes mixed-light techniques that could result in nighttime lighting. Implementation of Mitigation Measure AES-1 would require the applicant to prepare and implement a lighting plan that would conform to LUO Section 22.10.060 for exterior and safety lighting and include techniques such as shielding and blackout tarps to prevent nighttime lighting, reducing impacts from nighttime lighting to less than significant. Compliance with the recommended mitigation measure as well as Section 8304 (c) and (g) of the California Code of Regulations will reduce potential impacts to less than significant. No other impacts related to visual resources would occur and no additional mitigation is necessary.

Mitigation

- **AES-1. Nighttime lighting.** Prior to issuance of construction permits, the applicant shall submit a light pollution prevention plan (LPPP) to the County Planning Department for approval that incorporates the following measures to reduce impacts related to night lighting:
 - a. Prevent all interior lighting from being detected outside the facilities between the period of 1 hour before dusk and 1 hour after dawn;
 - b. All facilities employing artificial lighting techniques shall include shielding and/or blackout tarps that are engaged between the period of 1 hour before dusk and 1 hour after dawn and prevent any and all light from escaping;
 - c. Any exterior path lighting shall conform to LUO Section 22.10.060, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site. Exterior path lighting shall be "warm-white" or filtered (correlated color temperature of < 3,000 Kelvin; scotopic/photopic ratio of < 1.2) to minimize blue emissions; and</p>
 - d. Any exterior lighting used for security purposes shall be motion activated, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site, and shall be of the lowest-lumen necessary to address security issues.

Sources

Refer to Exhibit A.

II. AGRICULTURE AND FORESTRY RESOURCES

	Less Than		
	Significant		
Potentially	with	Less Than	
Significant	Mitigation	Significant	
Impact	Incorporated	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?		\boxtimes	
(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?		\boxtimes	
(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		\boxtimes	

Setting

use?

The County of San Luis Obispo supports a unique, diverse, and valuable agricultural industry that can be attributed to its Mediterranean climate, fertile soils, and sufficient water supply. Wine grapes are regularly the top agricultural crop in the county. Top value agricultural products in the county also include fruit and nuts, vegetables, field crops, nursery products, and animals. The County of San Luis Obispo Agriculture Element includes policies, goals, objectives, and other requirements that apply to lands designated in the Agriculture land

use category. In addition to the Agriculture Element, in accordance with Sections 2272 and 2279 of the California Food and Agriculture Code, the County Agricultural Commissioner releases an annual report on the condition, acreage, production, pest management, and value of agricultural products within the county.

Onsite soils at the project area of disturbance include:

- <u>Arbuckle fine sandy loam, 2-9 percent slopes</u>: This well drained soil has medium runoff and moderately
 slow permeability. The major uses include vineyards and orchards, irrigated crops, dry-farmed crops, and
 livestock grazing. The main management consideration includes paying special attention to slope. This
 soil is classified as Farmland of Statewide Importance by the NRCS. This soil has a CA Storie Index Rating
 of Grade 1 Excellent.
- <u>Millsholm-Dibble complex, 30 to 50 percent slopes</u>: This complex consists of shallow to moderately deep, well drained soils with slow to moderate permeability, rapid surface runoff potential, and high erodibility. Main use includes rangeland and urban land. Management considerations include paying special attention.
- <u>Gaviota-San Andreas association, very steep</u>: This association consists of soils that are shallow to moderately deep and well drained. The soils have moderately rapid to permeability, rapid to very rapid surface runoff potential, and very high erodibility. The major use includes rangeland. Management considerations include paying special attention to erodibility, high wildfire hazard, and slope.

The California Department of Conservation's Farmland Mapping and Monitoring Program (FMMP) produces maps and statistical data used for analyzing impacts on California's agricultural resources. Agricultural land is rated according to soil quality and current land use. For environmental review purposes under CEQA, the FMMP categories of Prime Farmland, Farmland of Statewide Importance, Unique Farmland, Farmland of Local Importance, and Grazing Land are considered 'agricultural land'. Other non-agricultural designations include Urban and Built-up Land, Other Land, and Water.

Based on the FMMP, soils at the project area of disturbance are within the following FMMP designation(s):

- Farmland of Local Importance
- Farmland of Local Potential
- Grazing Land

The County Conservation and Open Space Element includes a table of Important Agricultural Soils of San Luis Obispo County. Based on the soils listed above, the project site does not contain Important Agricultural Soils as defined by the County General Plan.

The Land Conservation Act of 1965, commonly referred to as the Williamson Act, enables local governments to enter into contracts with private landowners for the purpose of restricting specific parcels of land to agriculture or related open space use. In return, landowners receive property tax assessments which are much lower than normal because they are based upon farming and open space uses as opposed to full market value. The project site is within the Estrella Agricultural Preserve Area and is subject to a Williamson Act contract.

According to Public Resources Code Section 12220(g), forest land is defined as land that can support 10-percent native tree cover of any species, including hardwoods, under natural conditions, and that allows for management of one or more forest resources, including timber, aesthetics, fish and wildlife, biodiversity, water quality, recreation, and other public benefits. Timberland is defined as land, other than land owned by the federal government and land designated by the board as experimental forest land, which is available for, and capable of, growing a crop of trees of a commercial species used to produce lumber and other forest products, including Christmas trees. The project site does not support any forest land or timberland.

DRC2018-00177

Pegaso Inc.



Initial Study – Environmental Checklist

Figure 6: Onsite Soils and Farmland Designations



976 OSOS STREET, ROOM 300 | SAN LUIS OBISPO, CA 93408 |(805) 781-5600 | TTY/TRS 7-1-1 planning@co.slo.ca.us | www.sloplanning.org

PAGE 16 OF 92

Initial Study – Environmental Checklist

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 site does not contain land classified as Prime Farmland, Unique Farmland, or Farmland of Statewide Importance pursuant to the FMMP. Therefore, the project would not result in the conversion of Farmland pursuant to the FMMP to a non-agricultural use. *No impacts would occur*.

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

The project site is within and surrounded by land within the Agriculture land use designation. Both the project site and adjacent properties to the south are currently under a Williamson Act contract. The County's Agricultural Preserve Review Committee (APRC) reviewed the proposed project for consistency with the property's contract on March 25, 2019. Based on personal correspondence with County staff Terry Wahler, the APRC determined the proposed project would be consistent with the property's contract because cannabis activities are classified as a compatible use and because there would still be ample acreage for the property to maintain its qualifying agricultural use. Therefore, the project would not result in any conflicts with existing zoning for agriculture use or Williamson Act programs 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 include land use designations or zoning for forest land or timberland; *no impacts would occur.*

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

The project site does not support forest land or timberland and would not result in the loss or conversion of these lands to non-forest use; impacts would be *less than significant*.

(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 includes the establishment of mature and nursery (immature) cannabis cultivation and processing on-site. The project site is bordered by agricultural and rural lands with scattered rural residences, domestic animal enclosures, and agriculture operations. Based on review of aerial imagery, active agricultural operations occur within 1 mile of the project site. Per the memo from Lynda Auchinachie of the County Department of Agriculture, dated February 25, 2019, the department reviewed the project for potential impacts to on- and off-site agricultural resources and recommended standard land use permit conditions of approval that ensure best management practices will be followed. No significant impacts of off-site agricultural operations were identified. Therefore, potential impacts related to the impairment of agricultural uses of other property or conversion of surrounding land to non-agricultural uses would be *less than significant*.

Conclusion

The project would not directly or indirectly result in the conversion of farmland, forest land, or timber land to non-agricultural uses or non-forest uses and would not conflict with agricultural zoning or otherwise adversely affect

agricultural resources or uses. Potential impacts to agricultural resources would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

III. AIR QUALITY

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

Loce Than

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?		\boxtimes	
(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?	\boxtimes		
(c)	Expose sensitive receptors to substantial pollutant concentrations?		\boxtimes	
(d)	Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?		\boxtimes	

Setting

Regulatory Agencies and Standards

San Luis Obispo County is part of the South Central Coast Air Basin, (SCCAB) which also includes Santa Barbara and Ventura Counties. Air quality within the SCCAB is regulated by several jurisdictions including the U.S. Environmental Protection Agency (EPA), California Air Resources Board (ARB), and the San Luis Obispo County Air Pollution Control District (SLOAPCD). Each of these jurisdictions develops rules, regulations, and policies to attain the goals or directives imposed upon them through legislation. The California ARB is the agency responsible for coordination and oversight of state and local air pollution control programs in California and for implementing the California Clean Air Act (CCAA) of 1988. The State Department of Public Health established California Ambient Air Quality Standards (CAAQS) in 1962 to define the maximum amount of a pollutant (averaged over a specified period of time) that can be present without any harmful effects on people or the environment. The California ARB adopted the CAAQS developed by the Department of Public Health in 1969, which had established CAAQS for 10 criteria pollutants: particulate matter (PM₁₀ and PM_{2.5}), ozone (O₃), nitrogen dioxide (NO₂), sulfate, carbon monoxide (CO), sulfur dioxide (SO₂), visibility reducing particles, lead (Pb), hydrogen sulfide (H₂S), and vinyl chloride.

The Federal Clean Air Act (FCAA) later required the U.S. EPA to establish National Ambient Air Quality Standards (NAAQS) for pollutants considered harmful to public health and the environment, and also set deadlines for their attainment. The U.S. EPA has established NAAQS for six criteria pollutants (all of which are also regulated by CAAQS): CO, lead, NO₂, ozone, PM₁₀ and PM_{2.5}, and SO₂.

California law continues to mandate compliance with CAAQS, which are often more stringent than national standards. However, California law does not require that CAAQS be met by specified dates as is the case with NAAQS. Rather, it requires incremental progress toward attainment. The SLOAPCD is the agency primarily responsible for ensuring that NAAQS and CAAQS are not exceeded and that air quality conditions within the county are maintained.

SLOAPCD Thresholds

The SLOAPCD has developed and updated their CEQA Air Quality Handbook (most recently updated with a November 2017 Clarification Memorandum) to help local agencies evaluate project specific impacts and determine if air quality mitigation measures are needed, or if potentially significant impacts could result.

The APCD has established thresholds for both short-term construction emissions and long-term operational emissions. Use of heavy equipment and earth moving operations during project construction can generate fugitive dust and engine combustion emissions that may have substantial temporary impacts on local air quality and climate change. Combustion emissions, such as nitrogen oxides (NOx), reactive organic gases (ROG), greenhouse gases (GHG) and diesel particulate matter (DPM), are most significant when using large, diesel-fueled scrapers, loaders, bulldozers, haul trucks, compressors, generators and other heavy equipment. SLOAPCD has established thresholds of significance for each of these contaminants.

The proposed project would result in the disturbance of approximately 10 acres and would result in approximately 6,182 cubic yards of cut and 6,182 cubic yards of fill (total of 12,364 cubic yards of earthwork).

Operational impacts are focused primarily on the indirect emissions (i.e., motor vehicles) associated with residential, commercial and industrial development. Certain types of project can also include components that generate direct emissions, such as power plants, gasoline stations, dry cleaners, and refineries (source emissions).

General screening criteria is used by the SLOAPCD to determine the type and scope of air quality assessment required for a particular project (Table 1-1 in the SLOAPCD's CEQA Air Quality Handbook). These criteria are based on project size in an urban setting and are designed to identify those projects with the potential to exceed the APCD's significance thresholds. A more refined analysis of air quality impacts specific to a given project is necessary for projects that exceed the screening criteria below or are within ten percent (10%) of exceeding the screening criteria.

Air Quality Monitoring

The county's air quality is measured by a total of 10 ambient air quality monitoring stations, and pollutant levels are measured continuously and averaged each hour, 24 hours a day. The significance of a given pollutant can be evaluated by comparing its atmospheric concentration to state and federal air quality standards. These standards represent allowable atmospheric containment concentrations at which the public health and welfare are protected, and include a factor of safety. The SLOAPCD prepares an Annual Air Quality Report detailing information on air quality monitoring and pollutant trends in the county. The most recent Annual Air Quality Report can be found here: <u>https://storage.googleapis.com/slocleanair-org/images/cms/upload/files/2017aqrt-FINAL2.pdf</u>.

In the county of San Luis Obispo, ozone and fine particulates (particulate matter of 10 microns in diameter or smaller; PM₁₀) are the pollutants of main concern, since exceedances of state health-based standards for these

pollutants are experienced in some areas of the county. Under federal standards, the county has non-attainment status for ozone in eastern San Luis Obispo County.

San Luis Obispo County Clean Air Plan

The SLOAPCD's San Luis Obispo County 2001 Clean Air Plan (CAP) is a comprehensive planning document intended to evaluate long-term air pollutant emissions and cumulative effects and provide guidance to the SLOAPCD and other local agencies on how to attain and maintain the state standards for ozone and PM₁₀. The CAP presents a detailed description of the sources and pollutants which impact the jurisdiction's attainment of state standards, future air quality impacts to be expected under current growth trends, and an appropriate control strategy for reducing ozone precursor emissions, thereby improving air quality.

Naturally Occurring Asbestos

Naturally Occurring Asbestos (NOA) is identified as a toxic air contaminant by the California Air Resources Board (CARB). Serpentine and other ultramafic rocks are fairly common throughout the county and may contain NOA. If these areas are disturbed during construction, NOA-containing particles can be released into the air and have an adverse impact on local air quality and human health.

The project is not located within an area identified as having the potential to contain Naturally Occurring Asbestos (NOA), based on the SLOAPCD's NOA map.

Sensitive Receptors

Sensitive receptors are people that have an increased sensitivity to air pollution or environmental contaminants, such as the elderly, children, people with asthma or other respiratory illnesses, and others who are at a heightened risk of negative health outcomes due to exposure to air pollution. Some land uses are considered more sensitive to changes in air quality than others, due to the population that occupies the uses and the activities involved. Sensitive receptor locations include schools, parks and playgrounds, day care centers, nursing homes, hospitals, and residences. The nearest sensitive receptor locations to the project area are single-family residences located approximately 0.32 miles to the north and northwest.

Discussion

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

In order to be considered consistent with the 2001 San Luis Obispo County 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 result in the establishment of activities that are agricultural in nature and would employ up to twelve full-time regular employees, with eight regular employees onsite at a time, and up to twenty-five seasonal employees. 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; therefore, 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?

The County is currently designated as non-attainment for ozone and PM_{10} under state ambient air quality standards. Construction of the project would result in emissions of ozone precursors including reactive organic gasses (ROG) and nitrous oxides (NO_X) and fugitive dust emissions (PM₁₀).

Construction Impacts

The SLOAPCD CEQA Air Quality Handbook provides thresholds of significance for construction related emissions. Table 1 lists SLOAPCD's general thresholds for determining whether a potentially significant impact could occur as a result of a project's construction activities.

Pollutant	Threshold ⁽¹⁾		
Fondtant	Daily	Quarterly Tier 1	Quarterly Tier 2
Diesel Particulate Matter (DPM)	7 lbs	0.13 tons	0.32 tons
Reactive Organic Gases (ROG) + Oxides of Nitrogen (NO _X)	137 lbs	2.5	6.3 tons
Fugitive Particulate Matter (PM ₁₀), Dust ⁽²⁾		2.5 tons ⁽²⁾	

 Table 1. SLOAPCD Thresholds of Significance for Construction Activities

1. Daily and quarterly emission thresholds are based on the California Health and Safety Code and the CARB Carl Moyer Guidelines.

2. Any project with a grading area greater than 4.0 acres of worked area can exceed the 2.5-ton PM₁₀ quarterly threshold.

The SLOAPCD CEQA Air Quality Handbook also provides preliminary screening construction emission rates based on the proposed volume of soil to be moved and the anticipated area of disturbance. Table 2 lists the SLOAPCD's screening emission rates that would be generated based on the amount of material to be moved. The SLOAPCD's CEQA Handbook also clarifies that any project that would require grading of 4.0 acres or more can exceed the 2.5-ton PM10 quarterly threshold listed above.

Pollutant	Grams/Cubic Yard of Material Moved	Lbs/Cubic Yard of Material Moved	
Diesel Particulate Matter (DPM)	2.2	0.0049	
Reactive Organic Gases (ROG)	9.2	0.0203	
Oxides of Nitrogen (NO _x)	42.4	0.0935	
Fugitive Particulate Matter (PM_{10})	0.75 tons/acre/month of construction activity (assuming 22 days of construction per month)		

Table 2. Screening Emission Rates for Construction Activities

Based on estimated cut and fill estimates and the construction emission rates shown in Table 2, construction-related emissions that would result from the project were calculated and are shown in Table 3 below.

Dellutant	Pollutant Total Estimated SLOAPCD Threshold		Threshold	
Pollutant	Emissions	Daily	Quarterly (Tier 1)	Exceeded?
ROG + NO _x (combined)	1,407.02 pounds 0.70 tons (64 pounds/day)	pounds tons 137 pounds 2.5 tons nds/day)		No
Diesel Particulate Matter (DPM)	60.58 pounds 0.03 tons (2.75 pounds/day)	7 pounds	0.13 tons	No
Fugitive Particulate Matter (PM ₁₀)	7.5 tons/month		2.5 tons	Yes

 Table 3. Proposed Project Estimated Construction Emissions.

For projects involving construction and/or grading activities, the LUO requires that all surfaces and materials shall be managed to ensure that fugitive dust emissions are adequately controlled to below the 20% opacity limit and to ensure dust is not emitted offsite. The LUO includes a list of primary fugitive dust control measures required for all projects involving grading or site disturbance. The LUO also includes an expanded list of fugitive dust control measures for projects requiring site disturbance of greater than four acres or which are located within 1,000 feet of any sensitive receptor location. All applicable fugitive dust control measures are required to be shown on grading and building plans and monitored by a designated monitor to minimize dust complaints, reduce visible emissions below the 20% opacity limit, and to prevent transport of dust offsite (LUO 22.52.160.C).

The California Code of Regulations (Section 2485 of Title 13) also prohibits idling in excess of 5 minutes from any diesel-fueled commercial motor vehicles with gross vehicular weight ratings of 10,000 pounds or more or that must be licensed for operation on highways.

Based on the volume of proposed grading, area of project site disturbance, estimated duration of the construction period, and the APCD's screening construction emission rates identified above, the project would result in the emission of fugitive dust that would exceed construction-related thresholds established by the SLOAPCD and would require SLOAPCD standard mitigation measures for reducing fugitive dust emissions. In addition, the project would be subject to SLOAPCD's standard measures for reduction of construction equipment emissions, such as portable equipment registration. Therefore, the project would result in a cumulatively considerable net increase of a criteria pollutant for which the region is non-attainment, and impacts would be *less than significant with mitigation*.

Operational Impacts

The SLOAPCD's CEQA Air Quality Handbook provides operational screening criteria to identify projects with the potential to exceed SLOAPCD operational significance thresholds (refer to Table 1-1 of the CEQA Handbook). Based on Table 1-1 of the CEQA Handbook, the project does not propose a use that would have the potential to result in operational emissions that would exceed SLOAPCD thresholds. The project would not generate substantial new long-term traffic trips or vehicle emissions and does not propose construction of new direct (source) emissions. Therefore, potential operational emissions would be *less than significant*.

(c) Expose sensitive receptors to substantial pollutant concentrations?

The project site is bordered by undeveloped rural lands, agricultural operations, and scattered singlefamily rural residences. The nearest off-site residence is located 0.32 miles (1,700 feet) northwest of the proposed project components. The project would be subject to SLOAPCD's standard measures for reducing construction equipment pollutant emissions as well as the operational phase PM10 mitigation measure, as detailed in Mitigation Measure AQ 1 in Exhibit B - Mitigation Summary Table. Therefore, impacts related to exposure of sensitive receptors to substantial air pollutant concentrations would be *less than significant with mitigation*.

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

The project includes indoor and outdoor cannabis cultivation as well as drying and processing of cannabis grown on-site. These activities often produce potentially objectionable odors during the flowering, harvest, drying, and processing phases of the proposed operations and could disperse through the air and be sensed by surrounding receptors.

For odor management of indoor cultivation and processing activities, the facility will employ a carbon filter/scrubber system on each of the greenhouses and the headhouse. Carbon scrubbers have been demonstrated to be an effective odor abatement method for indoor cannabis facilities (County of Santa Barbara 2017) and work by pulling odors from the air into an exhaust system and absorbing any odors that pass through via activated/deactivated carbon (granular, pelletized, or powdered). All filters will be rated at 300 cubic feet per minute (cfm) or more with 90–100% carbon as the activated ingredients. Along with the air filtration system, all windows and points of ingress/egress will be double caulked and/or tightly fitted/secured to ensure odors do not leak outside of the cultivation facility. This process will significantly reduce the likelihood of odors associated with cannabis from being detected off-site.

For odor management of outdoor cultivation activities, the applicant is proposing to locate these activities near the center of the 225-acre parcel to allow any odors produced to naturally dissipate before reaching the property line and any off-site receptors. The nearest sensitive receptor is an off-site residence located 0.32 miles (1,700 feet) northwest of the proposed project area. Based on the proximity of the nearest sensitive receptor and proposed ventilation methods, impacts from odors on nearby sensitive receptors would be *less than significant*.

Construction could generate odors from heavy diesel machinery, equipment, and/or materials. The generation of odors during the construction period would be temporary, would be consistent with odors commonly associated with construction, and would dissipate within a short distance from the active work area. No long-term operational odors would be generated by the project. Therefore, potential odor-related impacts would be *less than significant*.

The project is not located within an area identified as having the potential to contain Naturally Occurring Asbestos (NOA), based on the SLOAPCD's NOA map; therefore, the project would not have the potential to expose individuals to harmful NOA concentrations. Therefore, potential impacts related to other emissions would be *less than significant*.

Conclusion

The project would be consistent with the SLOAPCD's Clean Air Plan and thresholds for operational emissions. The project would exceed the SLOAPCD's threshold for fugitive dust emissions and would be subject to standard mitigation measures to reduce the impact to less than significant. The project would not expose sensitive receptors to substantial pollutant concentrations or result in other emissions adversely affecting a substantial number of people. Therefore, potential impacts to air quality would be less than significant with mitigation.

Mitigation

- **AQ-1. Fugitive Dust Emissions.** The following measures shall be implemented to minimize constructiongenerated emissions. These measures are based on SLOAPCD standard mitigation measures and would help to ensure compliance with the SLOAPCD's 20% opacity limit (SLOAPCD Rule 401) and nuisance rule (SLOAPCD Rule 402). These measures shall be shown on grading and building plans:
 - a. Construction of the proposed project shall use low-VOC content paints not exceeding 50 grams per liter.
 - b. To the extent locally available, prefinished building materials or materials that do not require the application of architectural coatings shall be used.
 - c. Reduce the amount of the disturbed area where possible.
 - d. Use water trucks, APCD approved dust suppressants (see Section 4.3 in the CEQA Air Quality Handbook), or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the District's limit of 20% opacity for greater than 3 minutes in any 60-minute period. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible. Please note that since water use is a concern due to drought conditions, the contractor or builder shall consider the use of an APCD-approved dust suppressant where feasible to reduce the amount of water used for dust control. For a list of suppressants, see Section 4.3 of the CEQA Air Quality Handbook.
 - e. All dirt stock-pile areas should be sprayed daily as needed.

- f. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil disturbing activities;
- g. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established.
- h. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the SLOAPCD.
- i. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used.
- j. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site.
- k. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114.
- I. Install wheel washers at the construction site entrance, wash off the tires or tracks of all trucks and equipment leaving the site, or implement other SLOAPCD-approved methods sufficient to minimize the track-out of soil onto paved roadways.
- m. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible.
- n. The burning of vegetative material shall be prohibited. Effective February 25, 2000, the APCD prohibited developmental burning of vegetative material within San Luis Obispo County. If you have any questions regarding these requirements, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.
- The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the SLOAPCD Compliance Division prior to the start of any grading, earthwork or demolition.
- p. When applicable, portable equipment, 50 horsepower (hp) or greater, used during construction activities shall be registered with the California statewide portable equipment registration program (issued by the California Air Resources Board) or be permitted by the APCD. Such equipment may include: power screens, conveyors, internal combustion engines, crushers, portable generators, tub grinders, trammel screens, and portable plants (e.g, aggregate plant, asphalt plant, concrete plant). For more information, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.
- **AQ-2. ROG, NO_x, DPM Emissions.** The following measures based on the SLOAPCD standard mitigation measures for construction equipment for reducing nitrogen oxides (NOx), reactive organic gases (ROG), and diesel particulate matter (DPM) emissions from construction equipment shall be implemented to reduce expose of sensitive receptors to substantial pollutant concentrations. These measures shall be shown on grading and building plans:

- a. Implement Mitigation Measure AQ-1, as identified above.
- b. On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:
- c. Shall not idle the vehicle's primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and,
- d. Shall not operate a diesel-fueled auxiliary power system to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.
- e. Maintain all construction equipment in proper tune according to manufacturer's specifications;
- f. Fuel all off-road and portable diesel-powered equipment with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
- g. Use diesel construction equipment meeting ARB's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation;
- h. Idling of all on and off-road diesel-fueled vehicles shall not be permitted when not in use. Signs shall be posted in the designated queuing areas and or job site to remind drivers and operators of the no idling limitation.
- i. Electrify equipment when possible;
- j. Substitute gasoline-powered in place of diesel-powered equipment, when available; and,
- k. Use alternatively fueled construction equipment on-site when available, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane or biodiesel.

Sources

Refer to Exhibit A.

IV. BIOLOGICAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	Id 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?				

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(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?				\boxtimes
(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?				\boxtimes
(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?				\boxtimes

Setting

Sensitive Resource Area Designations

The County of San Luis Obispo Land Use Ordinance (LUO) Sensitive Resource Area (SRA) combining designation applies to areas of the county with special environmental qualities, or areas containing unique or sensitive endangered vegetation or habitat resources. The combining designation standards established in the LUO require that proposed uses be designed with consideration of the identified sensitive resources and the need for their protection.

Federal and State Endangered Species Acts

The Federal Endangered Species Act of 1973 (FESA) provides legislation to protect federally listed plant and animal species. The California Endangered Species Act of 1984 (CESA) ensures legal protection for plants listed as rare or endangered, and wildlife species formally listed as endangered or threatened, and 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, the CDFW has the authority to review projects for their potential to impact special-status species and their habitats.

Migratory Bird Treaty Act

The Migratory Bird Treaty Act (MBTA) protects all migratory birds, including their eggs, nests, and feathers. The MBTA was originally drafted to put an end to the commercial trade in bird feathers, popular in the latter part of the 1800s. The MBTA is enforced by the U.S. Fish and Wildlife Service (USFWS), and potential impacts to species protected under the MBTA are evaluated by the USFWS in consultation with other federal agencies and are required to be evaluated under CEQA.

Oak Woodland Ordinance

The County of San Luis Obispo Oak Woodland Ordinance was adopted in April 2017 to regulate the clear-cutting of oak woodlands. This ordinance applies to sites located outside of Urban or Village areas within the inland portions of the county (not within the Coastal Zone). "Clear-cutting" is defined as the removal of one acre or more of contiguous trees within an oak woodland from a site or portion of a site for any reason, including harvesting of wood, or to enable the conversion of land to other land uses. "Oak woodland" includes the following species: Blue oak (*Quercus douglasii*), coast live oak (*Quercus agrifolia*), interior live oak (*Quercus wislizeni*), valley oak (*Quercus labata*), and California black oak (*Quercus kelloggii*). 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 any individual oak species, as defined in the Oak Woodland Ordinance, of 48 inches diameter at breast height (dbh) or greater, separated from all Stands and Oak Woodlands by at least 500 feet. Minor Use Permit approval is required to remove any Heritage Oak.

The project site does not support oak woodland or Heritage Oaks.

Clean Water Act and State Porter Cologne Water Quality Control Act

The U.S. Army Corps of Engineers (USACE) regulates discharges of dredged or fill material into waters of the United States. These waters include wetland and non-wetland water bodies that meet specific criteria. USACE jurisdiction regulates almost all work in, over, and under waters listed as "navigable waters of the U.S." that results in a discharge of dredged or fill material within USACE regulatory jurisdiction, pursuant to Section 404 of the Clean Water Act (CWA). Under Section 404, USACE regulates traditional navigable waters, wetlands adjacent to traditional navigable waters, relatively permanent non-navigable tributaries that have a continuous flow at least seasonally (typically 3 months), and wetlands that directly abut relatively permanent tributaries.

The State Water Resources Control Board (SWRCB) and nine Regional Water Quality Control Boards (RWQCBs) regulate discharges of fill and dredged material in California, under Section 401 of the CWA and the State Porter-Cologne Water Quality Control Act, through the State Water Quality Certification Program. State Water Quality Certification is necessary for all projects that require a USACE permit, or fall under other federal jurisdiction, and have the potential to impact waters of the State. Based on the U.S. Fish and Wildlife Service National Wetlands Inventory, the project site does not support wetlands, riparian or deep-water habitats (USFWS 2019).

California Code of Regulations

In addition, State law also sets forth general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. Sections 8304 (a) and (b) require cannabis projects to: (a) comply with section 13149 of the Water Code as implemented by the State Water Resources Control Board, Regional Water Quality Control Boards, or California Department of Fish and Wildlife, and (b) comply with any conditions requested by the California Department of Fish and Wildlife or the State Water Resources Control Board under section 26060.1(b)(1) of the Business and Professions Code.

Conservation and Open Space Element

The intent of the goals, policies, and implementation strategies in the COSE is to identify and protect biological resources that are a critical component of the county's environmental, social, and economic well-being. Biological resources include major ecosystems; threatened, rare, and endangered species and their habitats; native trees and vegetation; creeks and riparian areas; wetlands; fisheries; and marine resources. Individual species, habitat areas, ecosystems and migration patterns must be considered together in order to sustain biological resources. The COSE identifies Critical Habitat areas for sensitive species including California condor, California red legged frog, vernal pool fairy shrimp, La Graciosa thistle, Morro Bay kangaroo rat, Morro shoulderband snail, tiger salamander, and western snowy plover. The COSE also identifies features of particular importance to wildlife for movement corridors such as riparian corridors, shorelines of the coast and bay, and ridgelines.

Project Site Setting

Two seasonal intermittent streams and two seasonal ephemeral streams mapped by the National Hydrography Dataset (NHD) pass through the project parcel (Figure 6). An unnamed ephemeral stream crosses the northern portion of the property before joining Toro Creek. Toro Creek, an intermittent stream, traverses from the northeast corner of the site to the western corner, adjacent to River Road. The channel is not well defined, and vegetation associated with Toro Creek is sparse and consists primarily of gray pines and oaks. An unnamed ephemeral stream crosses the eastern portion of the property before joining an unnamed tributary to Toro Creek. No defined vegetation is associated with this drainage and the area has historically been farmed/tilled. An unnamed intermittent tributary to Toro Creek cuts through the middle of the parcel from the east and joins Toro Creek approximately 675 feet south of River Road. This drainage has a well-defined channel and dense riparian habitat consisting of gray pines, coast live oaks, red willows, and cottonwoods.

The project site is located in a rural area near the center of San Luis Obispo County, approximately 2.2 miles northwest of Pozo Village. The topography of the project area is nearly level to moderately sloping, with elevations ranging between 1,480 and 1,900 feet above mean sea level. According to the Soil Survey for San Luis Obispo County and the NRCS Web Soil Survey, soils in the project area consist of Arbuckle fine sandy loam, 2 to 9 percent slopes; Pico fine sandy loam, 0 to 2 percent slopes; Pico fine sandy loam, 2 to 9 percent slopes; Gaviota-San Andreas association, very steep; Corduci-Typic Xerofluvents, occasionally flooded, 0 to 5 percent slopes; Gaviota-San Andreas association, moderately steep; Metz-Tujunga complex, occasionally flooded, 0 to 5 percent slopes; and Rock outcrop-Gaviota complex, 30 to 75 percent slopes (see Section 2, Agricultural Resources, for detailed descriptions).

The following information is based in part on a Biological Resource Assessment prepared for the project by Althouse and Meade, Inc. (2018) and field surveys of the immediate project area (30 acres) conducted on November 6 and November 27, 2018.

On-Site Habitats

Two natural plant communities occur within the project site: California annual grassland and blue oak woodland. On-site California annual grassland occurs in various portions of the project site and is dominated by non-native species, including ripgut brome, soft chess brome, red top brome, and foxtail barley. Creeping wild rye was also observed on the project site and is a native grass. Native forbs observed on the project site include mugwort, tarragon, yellow star thistle, clarkia, paniculate tarplant, California aster, doveweed, naked buckwheat, tarweed, and vinegar weed. Introduced forbs include shepherd's purse, mustard, horehound, and rose clover. The site includes native shrubs, such as coffeeberry, blue elderberry, and poison oak. Blue oak woodland is characterized by dense to open occurrences of blue oak trees and occurs in the western portions of the project site. On steeper slopes to the south, the oak woodland is comprised of coast live oak with intermixed gray pines forming a dense

canopy. In addition, ruderal/developed habitat conditions occur along roadsides and other disturbed portions of the project site. These areas exhibited disturbed and compacted soils and were either unvegetated or contained patchy occurrences of non-native weedy plants.

Review of designated critical habitat boundaries in northern San Luis Obispo County indicate that the subject parcel is not within critical habitat for any special-status species, however, critical habitat for California red-legged frog exists within a 5-mile radius of the project site.

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.

Special-Status Species

A search of the California Natural Diversity Database (CNDDB) and California Native Plant Society (CNPS) Online Inventory of Rare and Endangered Plants of California of the project site and the surrounding 5-mile radius listed 12 special-status plants and 5 special-status animals known to occur in the vicinity. Based on an analysis of known ecological requirements of the species and habitat conditions that were observed on-site, one special-status plant and six special-status animals were determined to potentially occur in the project area, as described below. See Exhibit C for the complete list of special-status species with potential to occur in the 5-mile vicinity.

Special-Status Plants

One special-status plant was determined to potentially occur in the project area:

• Paniculate tarplant (Deinandra paniculata)

Paniculate tarplant, a California Rare Plant Rank 4.2 species, occurs in cropland and ruderal habitats in areas of recent disturbance, and was identified on-site at the end of its bloom period during the field survey in November 2018. Hundreds of paniculate tarplants were present in an area of approximately 0.18 acre. Other special-status plant species are not expected to occur due to the tilling and cultivated land use of the project area, and no other special status plant species were identified during the field survey.

Special-Status Wildlife

Five special-status animal species were identified by CNDDB to occur in the project vicinity:

- Northern California legless lizard (Anniella pulchra)
- Western pond turtle (Emys marmorata)
- American badger (*Taxidea taxus*)
- Western Red Bat (Lasiurus blossevillii)
- Western Spadefoot (Spea hammondii)

Additionally, the Biological Resource Assessment (Althouse & Meade 2018) identified the following additional species with potential to occur in the project area.

- Grasshopper sparrow (Ammodramus savannarum)
- White-tailed kite (*Elanus leucurus*)
- California red-legged frog (Rana draytonii)

No special-status animals were observed during the field survey in November 2018.

The project area does not support sufficient aquatic habitat to support amphibian species. The drainage on the north edge of the project area does not contain sufficient water to support pond turtles or breeding of California

red-legged frog or spadefoot toad. It appears that the drainage rarely flows and does not contain significant pools that would fill during winter flows. The stock pond located west of the project area could support habitat for pond turtles but would not support habitat for California red-legged frog as the pond is stocked with largemouth bass, a primary predator of amphibians such as California red-legged frog. Western pond turtles were not observed in the pond during the November 2018 site survey.

Northern California legless lizards are reported from the Santa Margarita area where they are found in loose leaf litter and under logs and rocks beneath oak and pine tree canopies (CNDDB 2018). Potential habitat is present in oak woodland habitat at the south edge of the project area, but the fallow cropland field is not suitable for legless lizards.

American badger is typically found in grassland areas, but disturbance of the area through tilling has reduced the likelihood of this species occurring on the project site.

Both grasshopper sparrows and white-tailed kites have potential to occur within the project area. Grasshopper sparrows are migratory, coming into the central coast area in the spring to nest in dense grasslands particularly with a variety of tall grasses and forbs and scattered shrubs. White-tailed kites make local movements throughout the year, nesting in coastal and inland areas of San Luis Obispo County, primarily in evergreen trees on the edges meadows or pastures. Kites could nest in woodland areas of the project area, and grasshopper sparrows could nest in the fallow cropland habitat if the land wasn't tilled, grazed or mowed in winter.

Western Red Bat use riparian habitat for roosting sites. recognized by CDFW as Species of Special Concern (SSC). While no roosting bats were observed during the preliminary surveys of the project area, the existing structures and mature oak trees within and adjacent to the project area have the potential to support roosting bats.

Hydrology

Four streams cross the project site, which include Toro Creek and three unnamed streams that all eventually flow into Toro Creek. Riparian habitat was observed on the project site during the site visit associated with an unnamed tributary to Toro Creek (see Figure 6).

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

Development of the project would result in approximately 10 acres of site disturbance, including grubbing, grading, and construction of structures. Based on existing site conditions, the project site has the potential to support one special-status plant species, paniculate tarplant, as listed in the Setting discussion above. Approximately 72% (0.13 acre) of the on-site patch of paniculate tarplant would be permanently impacted by the project. Mitigation Measure BIO-1 has been provided to reduce potential impacts to special-status plants to *less than significant with mitigation*.

Special-Status Wildlife

The project site is not within critical habitat for California red-legged frog and on-site habitat has been deemed unsuitable for breeding during the on-site investigation in November 2018. This is due to the drainage on the north side of the study area not containing sufficient water to support the breeding of California red-legged frog. Additionally, the man-made stock pond west of the project area is stocked

Initial Study – Environmental Checklist

with large mouth bass, a primary predator of amphibians such as California red-legged frog. Therefore, the likelihood of this species occurring on-site is small and impacts would be less than significant.

The project area provides suitable nesting habitat for the white-tailed kite, and various other non-specialstatus bird species that are protected by the Migratory Bird Treaty Act (MBTA) and California Fish and Game Code. It should be noted that the fallow cropland on the project site would be suitable for grasshopper sparrow, another special-status bird species, if it remains untilled or mowed. However, the cropland has historically been tilled and/or mowed during the winter season and thus is not currently considered suitable habitat for grasshopper sparrow. The nesting habitat for white-tailed kite would be impacted by project activities such as grading and general construction activities. If the project activities are conducted between March and September, the typical nesting bird season, birds may be nesting within or adjacent to the affected area. Because the proposed project does not propose to remove native vegetation, no direct impacts related to removal of habitat are expected. Noise or other disturbances related to construction activities may cause an individual to abandon a nest, resulting in an indirect impact. Mitigation Measure BIO-2 has been identified to address potential impacts to nesting migratory birds protected by the MBTA; therefore, impacts would be *less than significant with mitigation*.

Likewise, the project area provides suitable roosting and foraging habitat for Western red bat. The project does not propose trimming or removal of existing structures or oak trees onsite; therefore, the project would not result in direct loss of roosting habitat. 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. Measure BIO-3 has been identified to avoid impacts to Western red bat if found roosting within or adjacent to the project site, therefore; impacts would be *less than significant with mitigation*.

Special-status reptiles and amphibians known to occur in the vicinity of the project site include northern California legless lizard, western pond turtle, western spadefoot, and California red-legged frog. Potential habitat for these species does not exist on the project site and no individuals were observed in November 2018. Habitat was considered unsuitable due to either lack of water or the presence of predators, such as is the case with the pond to the west of the project site, which is stocked with bass. Therefore, impacts to these species would be *less than significant*.

American badger is recognized by California Department of Fish and Wildlife (CDFW) as a Species of Special Concern. The project site supports marginal grassland and woodland habitat for American badger. Potential project impacts to American badger include direct impacts (injury or mortality) associated with the use and movement of construction equipment, construction materials, and debris and the removal of vegetation and/or trees within the project site, if this species is present within proposed impact areas. Indirect impacts of construction activities, including destruction or modification of habitat/burrows and generation of noise, vibration, and dust may cause temporary disturbance to these species, which may cause them to leave burrows and migrate to adjacent work areas. The indirect effects of erosion and sedimentation could also impact American badger through destruction of burrows. The closest known occurrence is 4.3 miles north of the project site, but neither badgers nor their sign was detected on the property during the November 2018 survey.

Mitigation Measures BIO-1, BIO-2, and BIO-3 have been identified to reduce potential impacts to specialstatus plant and wildlife species; therefore, impacts related to loss of unique or special-status species would be *less than significant with mitigation*.

Implementation of the project would result in grading and disturbance to approximately 10 acres of annual grassland habitat that was previously used for grain cultivation. The annual grassland on-site is comprised of primarily non-native species that are common in the region and is not considered a

sensitive habitat or plant community by CDFW. Therefore, the impacts resulting from the loss of ruderal/disturbed and annual grassland on-site that does not support special-status wildlife species would be a *less than significant*.

(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?

The proposed project would be setback at least 100 feet from the on-site drainages. However, grubbing, grading, and construction activities associated with implementation of the project could impact the water quality of nearby drainages on-site. Proposed grading and construction activities would expose large areas of soil on the areas surrounding these on-site drainages and increase the likelihood of soil erosion. Under rainy conditions, soil, fuels, hydraulic fluids, and associated materials could wash into the drainages and cause an increase in suspended sediments and sedimentation, and introduce compounds that could be toxic to aquatic organisms inhabiting downstream areas. The project would be subject to standard County requirements for drainage, sedimentation, and erosion control for construction and permanent use. With the implementation of sedimentation and erosion control plans, as well as drainage plans required by the County, impacts would be *less than significant*.

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

The project site does not support state or federal wetlands or other jurisdictional areas. Therefore, the project would not result in an adverse effect on state or federally protected wetlands and *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?

The project site is not expected to block or restrict movement of wildlife due to its relatively small scale and surrounding large areas of undeveloped open spaces. The ephemeral drainages located on the project parcel do not have suitable habitat features to support resident or migratory fish populations due to the lack of water year-round. Therefore, impacts related to interference with the movement of resident or migratory fish or wildlife species would be less than significant.

Due to the rural sky nature of the area, bright, artificial grow lighting that escapes the cultivation facilities could have the potential to impact wildlife species. Implementation of Mitigation Measure AES-1, which requires the applicant to prepare a light pollution prevention plan to prevent any light pollution resulting from cultivation activities, would reduce this impact to *less than significant with mitigation*.

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

The project would not adversely affect sensitive habitats or resources identified in the COSE or native tree species protected under the County Oak Woodland Ordinance. The project area is not located within an SRA designated for protection of unique or sensitive endangered vegetation or habitat resources. The proposed area of disturbance does not support sensitive resources that are protected by local policies and plans. Therefore, the project would not result in a conflict with local policies or ordinances protecting biological resources and *no impacts would occur*.

Initial Study – Environmental Checklist

(f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?

The project is not located within an area under an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan. The project is not within areas identified as critical habitat or within the County's San Joaquin Kit Fox standard mitigation ratio area (County of San Luis Obispo 2007). Therefore, the project would not conflict with the provisions of an adopted plan and *no impacts would occur*.

Conclusion

Approximately 72% (0.13 acre) of the on-site patch of paniculate tarplant would be permanently adversely impacted by the project. Due to the rural sky nature of the area, bright, artificial grow lighting that escapes the cultivation facilities could have the potential to impact wildlife species. Noise or other disturbances related to construction activities may cause nesting birds to abandon a nest, resulting in an indirect impact. Therefore, the project would have potential impacts to biological resources and mitigation measures are necessary.

Mitigation

- AES-1. See Section I. Aesthetics.
- **BIO-1**. Particulate Tarplant. Prior to ground disturbance or establishment of the use, the applicant shall retain a County-gualified biologist to mitigation for permanent impacts to paniculate tarplant, a California Rare Plant Rank 4.2 species. The biologist shall mitigate impacts to particulate tarplant at a 1:1 ratio (preserved/created habitat:impacted habitat). The goal of this mitigation measure is to ensure paniculate tarplant persists outside the project footprint, within the study area, in an area at least as large as the pre-project condition of 0.18 acre. Habitat creation shall be accomplished by collecting seed from on-site tarplants to be impacted by the project and dispersing the seeds within the predetermined mitigation site east of the project. Within 60 days after all site disturbance in the area of existing paniculate tarplant has occurred, the biologist shall hand-broadcast paniculate tarplant seed within the mitigation area. The mitigation area shall be mapped, and a status report shall be submitted to the County within 30 days of the hand broadcast. The on-site paniculate tarplant patch shall be surveyed by the biologist in the fall after broadcasting, and all paniculate tarplants in the study area shall be mapped. If the target patch size is met, the mitigation shall be deemed complete and a completion report shall be provided to the County. If the target patch size is not met, the project biologist shall recommend remedial measures in a status report to the County. Remedial measures shall be in place until the biologist determines the target patch size has been achieved and a completion report is provided to the County. A status report shall be provided to the County each year prior to renewal of business license, until a completion report is provided.
- **BIO-2.** Nesting Birds and Raptors. Site preparation, ground disturbance, and construction activities including any tree trimming and vegetation removal shall be conducted outside of the migratory bird nesting season (February 1 through August 31). If such activities cannot be avoided during this period, a County-approved qualified biologist shall conduct a preconstruction nesting bird survey no sooner than 1–4 weeks prior to tree removal activities and shall verify whether migratory birds are nesting in the site. If nesting activity is detected, the following measures shall be implemented:
 - a. The project shall be modified via the use of protective buffers, delaying construction activities, or other methods designated by the qualified biologist to avoid direct take of identified nests, eggs, and/or young protected under the Migratory Bird Treaty Act and/or California Fish and Game Code.

- b. The qualified biologist shall monitor the nests within the vicinity of project-related disturbances and determine if construction activities are causing behavioral changes or affecting nesting activities. Monitoring results shall then be utilized to develop an appropriate buffer around the next site to minimize disturbance. Construction activities within the buffer zone shall be prohibited until the young have fledged the nest and achieved independence.
- c. The qualified biologist shall document all active nests and submit a letter report to the County documenting project compliance with the Migratory Bird Treaty Act, California Fish and Game Code, and applicable project mitigation measures within 14 days of survey completion.
- **BIO-3. Roosting Bats.** 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.

Sources

Refer to Exhibit A.

V. CULTURAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	Id the project:				
(a)	Cause a substantial adverse change in the significance of a historical resource pursuant to § 15064.5?			\boxtimes	
(b)	Cause a substantial adverse change in the significance of an archaeological resource pursuant to § 15064.5?			\boxtimes	
(c)	Disturb any human remains, including those interred outside of dedicated cemeteries?			\boxtimes	

Setting

San Luis Obispo County possesses a rich and diverse cultural heritage and has an abundance of historic and prehistoric cultural resources dating as far back as 9,000 B.C. The County protects and manages cultural resources in accordance with the provisions detailed by CEQA and local ordinances. PRC Section 5024.1 requires that any

properties that can be expected to be directly or indirectly affected by a proposed project be evaluated for California Register of Historical Resources (CRHR) eligibility. The purpose of the CRHR is to maintain listings of the state's historical resources and to indicate what properties are to be protected, to the extent prudent and feasible, from material impairment and substantial adverse change.

As defined by CEQA, a historical resource includes:

- 1. A resource listed in or determined to be eligible for listing in the California Register of Historical Resources (CRHR).
- 2. Any object, building, structure, site, area, place, record, or manuscript which a lead agency determines to be historically significant or significant. The architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural records of California may be considered to be a historical resource, provided the lead agency's determination is supported by substantial evidence.

The County of San Luis Obispo LUO Historic Site (H) combining designation is applied to areas of the county to recognize the importance of archeological and historic sites and/or structures important to local, state, or national history. Standards are included regarding minimum parcel size and permit processing requirements for parcels with an established structure and Historic Site combining designation. For example, all new structures and uses within an H combining designation require Minor Use Permit approval, and applications for such projects are required to include a description of measures proposed to protect the historic resource identified by the Land Use Element (LUO 22.14.080).

San Luis Obispo County was historically occupied by two Native American tribes: the northernmost subdivision of the Chumash, the Obispeño (after Mission San Luis Obispo de Tolosa), and the Salinan. However, the precise location of the boundary between the Chumashan-speaking Obispeño Chumash and their northern neighbors, the Hokan-speaking Salinan, is not known, as those boundaries may have changed over time.

The COSE identifies and maps anticipated culturally sensitive areas and historic resources within the county and establishes goals, policies, and implementation strategies to identify and protect areas, sites, and buildings having architectural, historical, Native American, or cultural significance. Based on the COSE, the project is not located in a designated Archaeological Sensitive Area or Historic Site.

A Phase I Archaeological Inventory Survey was prepared for the project (Cultural Resource Management Services [CRMS] 2018). Records searches included the National Register of Historic Places (NRHP), State Historic Property Data Files, National Register of Determined Eligible Properties, California Historical Landmarks, California Points of Historic Interest, California Office of Historic Preservation Archaeological Determinations of Eligibility, California Department of Transportation (Caltrans) State and Local Bridge Surveys, and the Central Coast Information Center (CCIC). No cultural resource studies have been conducted within a 0.5-mile radius of the project area and no prehistoric archaeological sites have been identified.

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.

Discussion

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

According to the Phase 1 Archaeological Inventory Survey prepared for the project, the project site does not contain, nor is it located near, any historic resources identified in the National Register of Historic Places or California Register of Historic Resources. The project site does not contain a site under the
Historic Site (H) combining designation and does not contain other structures of historic age (50 years or older) that could be potentially significant as a historical resource. Therefore, the project would not result in an adverse change in the significance of a historical resources and impacts would be *less than significant*.

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

Based on the Phase 1 Archaeological Inventory Survey prepared for the project a review of past archaeological surveys conducted in the project vicinity, there are no previously identified archaeological resources within 0.5 mile of the project site. No prehistoric or historic archaeological resources are known to occur within the project area and the project area is considered to have low sensitivity for the presence of unidentified resources.

In the unlikely event that resources are uncovered during grading activities, implementation of LUO 22.10.040 (Archaeological Resources) would be required. This section requires that in the event archaeological resources are encountered during project construction, construction activities shall cease, and the County Planning and Building Department must be notified of the discovery so that the extent and location of discovered materials may be recorded by a qualified archaeologist, and the disposition of artifacts may be accomplished in accordance with state and federal law. Therefore, impacts related to a substantial adverse change in the significance of archaeological resources would be *less than significant*.

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

Based on existing conditions, buried human remains are not expected to be present in the site area. In the event of an accidental discovery or recognition of any human remains, California State Health and Safety Code Section 7050.5 and LUO 22.10.040 (Archaeological Resources) require that no further disturbances shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to Public Resources Code Section 5097.98. With adherence to State Health and Safety Code Section 7050.5 and County LUO, impacts related to the unanticipated disturbance of archaeological resources and human remains would be reduced to less than significant; therefore, potential impacts would be *less than significant*.

Conclusion

No archaeological or historical resources are known or expected to occur within or adjacent to the project site. In the event unanticipated archaeological resources or human remains are discovered during project construction activities, adherence with County LUO standards and State Health and Safety Code procedures would reduce potential impacts to less than significant; therefore, potential impacts to cultural resources would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

VI. ENERGY

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	Id 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?		\boxtimes		

Setting

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

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

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

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

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

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

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

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

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

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

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

Energy Use in Cannabis Operations

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

Comparatively, non-cultivation cannabis operations, such as distribution or retail sales, tend to involve typical commercial equipment and processes that may require minor to moderate amounts of power. These non-cultivation activities are subject to the CBC and *2019 Building Energy Efficiency Standards*, and therefore do not

typically result in wasteful or inefficient energy use. Activities and processes related to commercial cannabis do not typically require the demand for natural gas supplies, and it is assumed that such activities would represent a nominal portion of the County's total annual natural gas demand (County of Santa Barbara 2017).

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

Discussion

- (a) Result in a potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?
- (b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?

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

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

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

<u>Electricity and Natural Gas.</u> In order to calculate a project's energy demand the County will use the energy consumption rates from the County of Santa Barbara Cannabis Energy Conservation Plan Electricity Use Calculation Form (County of Santa Barbara 2018). This calculation form contains formulas for estimating electricity use of cannabis operations. The form assumes that indoor cultivation uses 200 kWh/sf annually and that mixed light (greenhouse) cultivation uses 110 kWh/sf annually. Because the County does not allow lighting or climate control for outdoor cultivation activities, it is assumed that energy use associated with outdoor cultivation (e.g. water pump) would be minor and less than significant. As discussed above, non-cultivation activities such as manufacturing would be subject to CBC standards regarding energy

efficiency and therefore would not result in wasteful or inefficient energy use for the purpose of this analysis.

The proposed project would include 25,920 sf of mixed-light cultivation floor area in two greenhouses and 12,960 sf of nursery cultivation floor area in a greenhouse. A preliminary estimate of the project's energy demand, based on the energy consumption rates from the County of Santa Barbara Cannabis Energy Conservation Plan Electricity Use Calculation Form (County of Santa Barbara 2018), is provided in Table 4. No diesel, gasoline, or natural gas is proposed.

Project Component	Size (sf)	Rate (kWh/year- sf)	Projected Energy (kWh/year)
Generic Commercial Building of Comparable Size	38 880	21.25	826,200
Mixed-Light Cultivation (greenhouses, includes nursery)	30,000	110	4,276,800
TOTAL	38,880	-	4,276,800
Percent in Excess of Gene	518%		

Table 4. Project's Projected Operational Energy Use Compared with a Generic Commercial Building of Comparable Floor Area

Based on the California Energy Commission Report, a typical non-cannabis commercial building of 38,880 sf would use 826,200 kWh per year (21.25 kWh/sf x 38,880 sf). Based on the energy consumption rates above, the proposed project's cultivation activities would use 518% more energy than a generic non-cannabis commercial building of the same size. This amount of energy use would potentially be wasteful and inefficient when compared to similar sized buildings implementing energy efficiency measures and would require mitigation.

<u>Greenhouse Gas Emissions.</u> Energy inefficiency contributes to higher greenhouse gas (GHG) emissions and by nature is in conflict with state and local plans for renewable energy or energy efficiency, including the policies of the COSE, the EWP goals, and the 2001 SLOAPCD CAP. (Additional background information on GHG Emissions is in Section VIII.) CalEEMod can be used to determine GHG emissions from a "typical" amount of indoor or mixed light cultivation:

Table 5. Project's Projected Operational GHG Emissions (CO2e)

Project Component	Size (sf)	Rate (MT/year-sf)	Projected GHG Emissions (MT/CO2e/year)
Mixed-Light Cultivation (greenhouses, includes nursery)	38,880	0.058 ¹	2,255.04 ²
TOTAL	38,880	-	2,255.04

Notes:

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

Based on this information, the proposed project would exceed the SLOAPCD's Bright Line Threshold of 1,150 MTCO₂e. To mitigate this potential operational impact, the example project would be required to implement a package of measures that would reduce or offset the project's energy demand to within 20% of the energy demand of a similarly sized generic non-cannabis commercial building (991,440 kWh) and offset GHG emissions to achieve the 1,150 MTCO₂e Bright Line Threshold. Mitigation Measure ENG-1 through ENG-3 would reduce the example project's environmental impact from wasteful and inefficient energy use to *less than significant with mitigation*.

Potential impacts would be less than significant with mitigation.

Conclusion

The project would result in a potentially significant energy demand during long-term operations and would potentially conflict with state or local renewable energy or energy efficiency plans. Potential impacts related to energy would be less than significant with mitigation. Compliance with the provisions of Code of Regulations together with recommended mitigation measures ENG-1, ENG-2, and ENG-3 will reduce potential impacts to less than significant.

Mitigation

- **ENG-1. Prior to issuance of building permits**, the applicant shall provide to the Department of Planning and Building for review and approval, an Energy Conservation Plan with a package of measures that, when implemented, would reduce or offset the project's energy demand to within 20% of the demand associated with a generic commercial building of the same size. The Energy Conservation Plan shall include the following:
 - a. A detailed inventory of energy demand prepared by a Certified Energy Analyst. The inventory shall include an estimate of total energy demand from all sources associated with all proposed cannabis cultivation activities including, but not limited to, lighting, odor management, processing, manufacturing and climate control equipment. The quantification of demand associated with electricity shall be expressed in total kilowatt hours (kWh) per year; demand associated with natural gas shall be converted to kWh per year.
 - b. A program for providing a reduction or offset of all energy demand that is 20% or more than a generic commercial building of the same size. Such a program (or programs) may include, but is not limited to, the following:
 - i. Evidence that the project will permanently source project energy demands from renewable energy sources (i.e. solar, wind, hydro). This can include purchasing the

project's energy demand from a clean energy source by enrolling PG&E's Solar Choice program or Regional Renewable Choice program or other comparable public or private program.

- ii. Evidence documenting the permanent retrofit or elimination of equipment, buildings, facilities, processes, or other energy saving strategies to provide a net reduction in electricity demand and/or GHG emissions. Such measures may include, but is not limited to, the following:
 - 1. Participating in an annual energy audit.
 - 2. Upgrading and maintaining efficient heating/ cooling/ dehumidification systems.
 - 3. Implement energy efficient lighting, specifically light-emitting diode (LED) over high-intensity discharge (HID) or high-pressure sodium (HPS) lighting.
 - 4. Implementing automated lighting systems.
 - 5. Utilizing natural light when possible.
 - 6. Utilizing an efficient circulation system.
 - 7. Ensuring that energy use is below or in-line with industry benchmarks.
 - 8. Implementing phase-out plans for the replacement of inefficient equipment.
 - 9. Adopting all or some elements of CalGreen Tier 1 and 2 measures to increase energy efficiency in greenhouses.
- iii. Construction of a qualified renewable energy source such as wind, solar photovoltaics, biomass, etc., as part of the project. [Note: Inclusion of a renewable energy source shall also be included in the project description and may be subject to environmental review.]
- iv. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of the project energy demand that is 20% or more above a generic commercial building of the same size.
- **ENG-2.** Prior to issuance of building permits, the applicant shall provide to the Department of Planning and Building for review and approval, a program for reducing or offsetting project-related greenhouse gas emissions below the 1,150 MTCO₂e Bright Line threshold. Such a program (or programs) may include, but is not limited to, the following:
 - a. Purchase of greenhouse gas offset credits from any of the following recognized and reputable voluntary carbon registries:
 - i. American Carbon Registry;
 - ii. Climate Action Reserve;
 - iii. Verified Carbon Standard.
 - iv. Offsets purchased from any other source are subject to verification and approval by the Department of Planning and Building.
 - b. Installation of battery storage to offset nighttime energy use. Batteries may only be charged during daylight hours with a renewable energy source and shall be used as the sole energy supply during non-daylight hours.
 - c. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of project GHG emissions below the 1,150 Bright Line Threshold.

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

Sources

Refer to Exhibit A.

VII. GEOLOGY AND SOILS

			Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	ld the	project:				
(a)	Direo subs risk o	ctly or indirectly cause potential tantial adverse effects, including the 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?			\boxtimes	
	(iii)	Seismic-related ground failure, including liquefaction?			\boxtimes	
	(iv)	Landslides?			\boxtimes	
(b)	Resu of to	It in substantial soil erosion or the loss			\boxtimes	
(c)	Be lo unsta as a resul sprea colla	ocated on a geologic unit or soil that is able, or that would become unstable result of the project, and potentially It in on- or off-site landslide, lateral ading, subsidence, liquefaction or pse?				

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

Setting

The Alquist-Priolo Earthquake Fault Zoning Act (Alquist-Priolo Act) is a California state law that was developed to regulate development near active faults and mitigate the surface fault rupture potential and other hazards. The Alquist-Priolo Act identifies active earthquake fault zones and restricts the construction of habitable structures over known active or potentially active faults. San Luis Obispo County is located in a geologically complex and seismically active region. The Safety Element of the County of San Luis Obispo General Plan identifies three active faults that traverse through the County and that are currently zoned under the Alquist-Priolo Act: the San Andreas, the Hosgri-San Simeon, and the Los Osos. The San Andreas Fault zone is located along the eastern border of San Luis Obispo County and has a length of over 600 miles. The Hosgri-San Simeon fault system generally consists of two fault zones: the Hosgri fault zone that is mapped off of the San Luis Obispo County coast; and the San Simeon fault zone, which appears to be associated with the Hosgri, and comes onshore near San Simeon Point, Lastly, the Los Osos Fault zone has been mapped generally in an east/west orientation along the northern flank of the Irish Hills.

The County Safety Element also identifies 17 other faults that are considered potentially active or have uncertain fault activity in the County. The Safety Element establishes policies that require new development to be located away from active and potentially active faults. The element also requires that the County enforce applicable building codes relating to seismic design of structures and require design professionals to evaluate the potential for liquefaction or seismic settlement to impact structures in accordance with the Uniform Building Code. The nearest potentially active fault is located 2.27 miles to the northeast.

Groundshaking refers to the motion that occurs in response to local and regional earthquakes. Seismic groundshaking is influenced by the proximity of the site to an earthquake fault, the intensity of the seismic event, and the underlying soil composition. Groundshaking can endanger life and safety due to damage or collapse of structures or lifeline facilities. The California Building Code includes requirements that structures be designed to resist a certain minimum seismic force resulting from ground motion.

Liquefaction is the sudden loss of soil strength due to a rapid increase in soil pore water pressures resulting from groundshaking during an earthquake. Liquefaction potential increases with earthquake magnitude and groundshaking duration. Low-lying areas adjacent to creeks, rivers, beaches, and estuaries underlain by unconsolidated alluvial soil are most likely to be vulnerable to liquefaction. The CBC requires the assessment of

Pegaso Inc.

Initial Study – Environmental Checklist

liquefaction in the design of all structures. Per the County's Land Use View Mapping Application, the project is located in an area with low to moderate potential for liquefaction.

Landslides and slope instability can occur as a result of wet weather, weak soils, improper grading, improper drainage, steep slopes, adverse geologic structure, earthquakes, or a combination of these factors. Despite current codes and policies that discourage development in areas of known landslide activity or high risk of landslide, there is a considerable amount of development that is impacted by landslide activity in the County each year. The County Safety Element identifies several policies to reduce risk from landslides and slope instability. These policies include the requirement for slope stability evaluations for development in areas of moderate or high landslide risk, and restrictions on new development in areas of known landslide activity unless development plans indicate that the hazard can be reduced to a less than significant level prior to beginning development. Per the County's Land Use View Mapping Application, the project is located in an area with low to high potential for landslide risk.

Shrink/swell potential is the extent to which the soil shrinks as it dries out or swells when it gets wet. Extent of shrinking and swelling is influenced by the amount and kind of clay in the soil. Shrinking and swelling of soils can cause damage to building foundations, roads and other structures. A high shrink/swell potential indicates a hazard to maintenance of structures built in, on, or with material having this rating. Moderate and low ratings lessen the hazard accordingly. Soils in the project area have a low to high potential for expansion.

The County LUO identifies a Geologic Study Area (GSA) combining designation for areas where geologic and soil conditions could present new developments and/or their occupants with potential hazards to life and property. All land use permit applicants located within a GSA are required to include a report prepared by a certified engineering geologist and/or registered civil/soils engineer as appropriate, with the exception of construction of one single-story single family residence, agricultural uses not involving a building, agricultural accessory structures, and alterations or additions to any structure which does not exceed 50 percent of the assessed value of the structure. In addition, all uses within a GSA are subject to special standards regarding grading and distance from an active fault within an Earthquake Fault Zone (LUO 22.14.070).

Paleontological resources are fossilized remains of ancient environments, including fossilized bone, shell, and plant parts; impressions of plant, insect, or animal parts preserved in stone; and preserved tracks of insects and animals. Paleontological resources are considered nonrenewable resources under state and federal law. Paleontological sensitivity is defined as the potential for a geologic unit to produce scientifically significant fossils, as determined by rock type, past history of the rock unit in producing fossil materials, and fossil sites that have been recorded in the unit. Paleontological resources are generally found below ground surface in sedimentary rock units. The boundaries of the sedimentary rock unit are used to define the limits of paleontological sensitivity in a given region.

In the county, the Coastal Franciscan domain generally lies along the mountains and hills associated with the Santa Lucia Range. Fossils recorded from the Coastal Franciscan formation include trace fossils (preserved tracks or other signs of the behaviors of animals), mollusks, and marine reptiles. Nonmarine or continental deposits are more likely to contain vertebrate fossil sites. Occasionally vertebrate marine fossils such as whale, porpoise, seal, or sea lion can be found in marine rock units such as the Miocene Monterey Formation and the Pliocene Sisquoc Formations known to occur throughout Central and Southern California. Vertebrate fossils of continental material are usually rare, sporadic, and localized.

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 ad 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 impacts to paleontological resources.

See Section II. Agricultural Resources for a list of soils in the project area.

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 within an Alquist-Priolo Fault Hazard Zone, and there are no mapped active faults crossing or adjacent to the site (DOC 2018). Based on the County Safety Element Fault Hazards Map, the closest potentially active fault (unnamed) is approximately 2.27 miles northeast of the project site. Therefore, the project would not have the potential to result in substantial adverse effects involving rupture of a known earthquake fault and impacts would be *less than significant*.

(a-ii) Strong seismic ground shaking?

Based on the County Safety Element Fault Hazards Map, the project site is not located within 1 mile of a known active or potentially active fault. However, San Luis Obispo County is located in a seismically active region and there is always a potential for seismic ground shaking. The project would be required to comply with the California Building Code (CBC) and other applicable standards to ensure the effects of a potential seismic event would be minimized through compliance with current engineering practices and techniques. The project does not include unique components that would be particularly sensitive to seismic ground shaking or result in an increased risk of injury or damage as a result of ground shaking. Implementation of the project would not expose people or structures to significant increased risks associated with seismic ground shaking; therefore, impacts would be *less than significant*.

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

Based on the County Safety Element Liquefaction Hazards Map, the project site is located in an area with low potential for liquefaction. In addition, the project would be required to comply with CBC seismic requirements to address the site's potential for seismic-related ground failure including liquefaction; therefore, the potential impacts would be *less than significant*.

(a-iv) Landslides?

The project site has relatively flat topography and based on the County Safety Element Landslide Hazards Map is located in an area with high potential for landslide risk. The area of disturbance is in an area designated as moderate landslide risk and is approximately 0.25 miles from the nearest high landslide area on the site, which encompasses the steep slopes to the south of the project area; therefore, the likelihood of a landslide affecting the project area is considered very low. All proposed structures would be designed and constructed in compliance with CBC requirements to minimize safety hazards associated with unstable earth conditions. Therefore, the project would not result in significant adverse effects associated with landslides and impacts would be *less than significant*.

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

The project would result in the disturbance of approximately 10 acres, including approximately 6,182 cubic yards of cut and 6,182 cubic yards of fill. There would be a potential for erosion and sedimentation to occur during grading activities. Preparation and approval of an sedimentation and erosion control plan

is required for all construction and grading projects (LUO Section 22.52.120) to minimize potential impacts related to erosion, sedimentation, and siltation, and includes requirements for specific erosion control materials, setbacks from creeks, and siltation. In addition, the project would be subject to Regional Water Quality Control Board (RWQCB) requirements for preparation of a Storm Water Pollution Prevention Plan (SWPPP) (LUO Section 22.52.130) which may include the preparation of a Storm Water Control Plan to further minimize on-site sedimentation and erosion. Compliance with existing regulations would reduce potential impacts related to soil erosion and loss of topsoil to *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?

Landslides typically occur in areas with steep slopes or in areas containing escarpments. Based on the Landslide Hazards Map provided in the County Safety Element, the project area is located in an area with moderate landslide risk.

The project would be required to comply with CBC seismic requirements to address potential seismicrelated ground failure including lateral spread. Based on the County Safety Element and USGS data, the project is not located in an area of historical or current land subsidence (USGS 2019). Based on the County Safety Element Liquefaction Hazards Map, the project site is located in an area with low-moderate potential for liquefaction risk and the project is not located within the GSA combining designation. Therefore, impacts related to on- or off-site landslides, lateral spreading, subsidence, liquefaction or collapse 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?

Based on the Soil Survey of San Luis Obispo County and Web Soil Survey, the project site is located within an area known to contain expansive soils as defined in the Uniform Building Code. All future development would be required to comply with the most recent CBC requirements, which have been developed to properly safeguard structures and occupants from land stability hazards, such as expansive soils. Therefore, potential impacts related to expansive soil would be *less than significant*.

(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 project would require the installation of a new 1,500-gallon septic tank including 180 feet of infiltrator (leach field) units located on-site to the south of the proposed nursery. Percolation testing and soil borings would be performed prior to issuance of construction permits for Phase 2 improvements by a qualified engineer. Percolation rates and depth to groundwater must be adequate for installation of a septic tank for permits to be granted by the Central Coast RWQCB. The proposed treatment system expansion is expected to meet all Tier 1 permitting requirements, such as maximum daily flow volume and minimum distance required from buildings, property lines, wells, large trees, etc. In the event that the system expansion does not meet all Tier 1 permitting criteria, the applicant would then be required to pursue permit approval of the system through the Central Coast RWQCB.

Prior to building permit issuance, the proposed wastewater treatment system installation would be required to be designed in compliance with the Central Coast Basin Plan and the CPC; therefore, based on site suitability and required compliance with state and local design criteria, impacts related to waste discharge requirements and quality of surface and groundwater would be *less than significant*.

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

No known paleontological resources are known to exist in the project area and the project site does not contain any unique geologic features. The project does not include substantial grading or earthwork that would disturb the underlying geologic formation in which paleontological resources may occur. Therefore, potential impacts on paleontological resources would be *less than significant*.

Conclusion

The project site is not within the GSA combining designation or an area of high risk of liquefaction, subsidence, or other unstable geologic conditions. The project site is within an area of high risk of landslide; however, the project area is located 0.25 miles north of the high landslide area on the site. The project would be required to comply with CBC and standard LUO requirements which have been developed to properly safeguard against seismic and geologic hazards. Therefore, potential impacts related to geology and soils would be less than significant and no mitigation measures are necessary.

Mitigation

Not necessary.

Sources

Refer to Exhibit A.

VIII. GREENHOUSE GAS EMISSIONS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	Id the project:				
(a)	Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?		\boxtimes		
(b)	Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?		\boxtimes		

Setting

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

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

In March 2012, the SLOAPCD approved thresholds for Greenhouse Gas (GHG) emission impacts, and these thresholds have been incorporated into the CEQA Air Quality Handbook. The Bright-Line Threshold of 1,150 Metric Tons CO_2 /year (MT CO_2e /yr) is the most applicable GHG threshold for most projects. Table 1-1 in the SLOAPCD CEQA Air Quality Handbook provides a list of general land uses and the estimated sizes or capacity of those uses expected to exceed the GHG Bight Line Threshold of 1,150 Metric Tons of carbon dioxide per year (MT CO_2 /yr). Projects that exceed the criteria or are within ten percent of exceeding the criteria presented in Table 1-1 are required to conduct a more detailed analysis of air quality impacts.

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

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

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

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

- Encourage new development to exceed minimum Cal Green requirements;
- Require a minimum of 75% of nonhazardous construction and demolition debris generated on site to be recycled or salvaged;
- Continue to implement strategic growth strategies that direct the county's future growth into existing communities and to provide complete services to meet local needs;
- Continue to increase the amount of affordable housing in the County, allowing lower-income families to live closer to jobs and activity centers, and providing residents with greater access to transit and alternative modes of transportation;
- Reduce potable water use by 20% in all newly constructed buildings by using the performance methods provided in the California Green Building Code;

- Require use of energy-efficient equipment in all new development;
- Minimize the use of dark materials on roofs by requiring roofs to achieve a minimum solar reflectivity index of 10 for high-slope roofs and 68 for low-slope roofs; and
- Use light-colored aggregate in new road construction and repaving projects adjacent to existing cities.

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

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

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

Discussion

- (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?

(a-b) As discussed in Section VI, the project would result in inefficient or wasteful energy use which would contribute to higher greenhouse GHG emissions and by nature is in conflict with state and local plans for the reduction of GHG emissions, including the policies of the COSE, the EWP goals, and the 2001 SLOAPCD CAP. As shown in Table 5 (see Energy), the project would exceed the SLOAPCD bright-line threshold of 1,150 MT CO₂e/year. Mitigation is required to reduce or offset the project's GHG emissions. Potential impacts would be less than significant with mitigation.

Conclusion

The project would result in potentially significant GHG emissions during long-term operations and would potentially conflict with plans adopted to reduce GHG emissions. Potential impacts related to GHG emissions would be less than significant with mitigation.

Mitigation

Implement ENG-1 through ENG-3.

Sources

Refer to Exhibit A.

IX. HAZARDS AND HAZARDOUS MATERIALS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	ld the project:				
(a)	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			\boxtimes	
(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?				\boxtimes
(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,			\boxtimes	

Setting

injury or death involving wildland fires?

The Hazardous Waste and Substances Site (Cortese) List is a planning document used by the State, local agencies, and developers to comply with CEQA requirements related to the disclosure of information about the location of hazardous materials release sites. Government Code section 65962.5 requires the California EPA to develop at least annually an updated Cortese List. Various state and local government agencies are required to track and

Pegaso Inc.

Initial Study – Environmental Checklist

document hazardous material release information for the Cortese List. The California Department of Toxic Substance Control's (DTSC's) EnviroStor database tracks DTSC cleanup, permitting, enforcement, and investigation efforts at hazardous waste facilities and sites with known contamination, such as federal superfund sites, state response sites, voluntary cleanup sites, school cleanup sites, school investigation sites, and military evaluation sites. The State Water Resources Control Board's (SWRCB's) GeoTracker database contains records for sites that impact, or have the potential to impact, water in California, such as Leaking Underground Storage Tank (LUST) sites, Department of Defense sites, and Cleanup Program Sites. The remaining data regarding facilities or sites identified as meeting the "Cortese List" requirements can be located on the CalEPA website: https://calepa.ca.gov/sitecleanup/corteselist/. The project is not on or near a site listed on the "Cortese List".

The California Health and Safety Code provides regulations pertaining to the abatement of fire related hazards and requires that local jurisdictions enforce the California Building Code, which provides standards for fire resistive building and roofing materials, and other fire-related construction methods. The County Safety Element provides a Fire Hazard Zones Map that indicates unincorporated areas in the County within moderate, high, and very high fire hazard severity zones. The project would be located within the State Responsibility Area in a Very High Fire Hazard Severity Zone. Based on the County's response time map, it would take approximately 15–20 minutes or more to respond to a call regarding fire or life safety. For more information about fire-related hazards and risk assessment, see Section XX. Wildfire.

The County also has adopted general emergency plans for multiple potential natural disasters, including the Local Hazard Mitigation Plan, County Emergency Operations Plan, Earthquake Plan, Dam and Levee Failure Plan, Hazardous Materials Response Plan, County Recovery Plan, and the Tsunami Response Plan.

The nearest airstrip in proximity to the project site is the Bogdan Airport in Santa Margarita, a private airstrip located approximately 8.3 miles northwest of the site. The project is not located within an Airport Review designation or within close proximity of a private airstrip.

Discussion

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

The project proposes to use organic compost tea for fertilizer, food-grade diatomaceous earth for insect control, and Safergro Mildew Cure, a natural botanical contact fungicide. The project does not propose the routine transport, use or disposal of hazardous substances. Any commonly used hazardous substances within the project site (e.g., cleaners, solvents, oils, paints, etc.) would be transported, stored, and used according to regulatory requirements and existing procedures for the handling of hazardous materials. Impacts associated with the routine transport of hazardous materials would be *less than significant*.

(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?

The project does not propose the handling or use of hazardous materials or volatile substances that would result in a significant risk of upset or accidental release conditions. Construction of the proposed project is anticipated to require use of limited quantities of hazardous substances, including gasoline, diesel fuel, hydraulic fluid, solvents, oils, paints, etc. Construction contractors would be required to comply with applicable federal and state environmental and workplace safety laws for the handling of hazardous materials, including response and clean-up requirements for any minor spills. Therefore, potential 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?

The closest school facility is located approximately 12 miles northwest of the project site. The project site is not located within 0.25 mile of an existing or proposed school facility; therefore, *no impacts 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?

Based on a search of the California Department of Toxic Substance Control's EnviroStar database, the State Water Resources Control Board's Geotracker database, and CalEPA's Cortese List website, there are no hazardous waste cleanup sites within the project site. Therefore, *no impacts 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 site is not located within an airport land use plan or within 2 miles of a public airport or private airstrip; therefore, *no impacts would occur*.

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

Implementation of the proposed project would not result in a significant temporary or permanent impact on any adopted emergency response plans or emergency evacuation plans. No breaks in utility service or road closures would occur as a result of project implementation. Any construction-related detours would include proper signage and notification and would be short-term and limited in nature and duration. Therefore, potential 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?

The project is located within the Very High Fire Hazard Severity Zone and is located on a parcel with moderately dense native vegetation and limited access. The site is located within a State Responsibility Area and, based on the County's fire response time map, it would take 15–20 minutes to respond to a call regarding fire or life safety. The project would be designed to comply with all fire safety rules and regulations, including the California Fire Code and Public Resources Code, which includes improvements to the existing access road/driveway to accommodate emergency vehicle access, vegetation clearing or trimming around all existing and proposed structures, and installation of a water storage tank for fire protection. The County Fire Department/California Department of Forestry and Fire Protection (CAL FIRE) prepared a Fire Safety Plan letter for the project, and the applicant will be required to comply with all applicable fire safety rules and regulations including the California Fire Code and Public Resources Code and Public Resources Code prior to issuance of building permits; therefore, potential impacts would be *less than significant*.

Pegaso Inc.

Initial Study – Environmental Checklist

Conclusion

The project does not propose the routine transport, use, handling, or disposal of hazardous substances. It is not located within proximity to any known contaminated sites and is not within close proximity to populations that could be substantially affected by upset or release of hazardous substances. Project implementation would not subject people or structures to substantial risks associated with wildland fires and would not impair implementation or interfere with any adopted emergency response or evacuation plan. Therefore, potential impacts related to hazards and hazardous materials would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

X. HYDROLOGY AND WATER QUALITY

			Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	ld the	project:				
(a)	Viola wast subs wate	ate any water quality standards or e discharge requirements or otherwise tantially degrade surface or ground er quality?			\boxtimes	
(b)	Subs supp grou proje grou	stantially decrease groundwater blies or interfere substantially with indwater recharge such that the ect may impede sustainable indwater management of the basin?				
(c)	Subs patte throus streat impe wou	stantially alter the existing drainage ern of the site or area, including ugh the alteration of the course of a am or river or through the addition of ervious surfaces, in a manner which Id:				
	(i)	Result in substantial erosion or siltation on- or off-site;			\boxtimes	
	(ii)	Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;			\boxtimes	

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
 (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?			\boxtimes	
In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?			\boxtimes	
Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?				

Setting

(d)

(e)

The Central Coast Regional Water Quality Control Board (RWQCB) has established Total Maximum Daily Load (TMDL) thresholds for waterbodies within the County. A TMDL establishes the allowable amount of a particular pollutant a waterbody can receive on a regular basis and still remain at levels that protect beneficial uses designated for that waterbody. A TMDL also establishes proportional responsibility for controlling the pollutant, numeric indicators of water quality, and measures to achieve the allowable amount of pollutant loading. Section 303(d) of the Clean Water Act (CWA) requires states to maintain a list of bodies of water that are designated as "impaired". A body of water is considered impaired when a particular water quality objective or standard is not being met.

The RWQCB's Water Quality Control Plan for the Central Coast Basin (Basin Plan; 2017) 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 Basin Plan outlines the beneficial uses of streams, lakes, and other water bodies for humans and other life. There are 24 categories of beneficial uses, including, but not limited to, municipal water supply, water contact recreation, non-water contact recreation, and cold freshwater habitat. Water quality objectives are then established to protect the beneficial uses of those water resources. The Regional Board implements the Basin Plan by issuing and enforcing waste discharge requirements to individuals, communities, or businesses whose discharges can affect water quality.

The U.S. Army Corps of Engineers (USACE), through Section 404 of the CWA, regulates the discharge of dredged or fill material into waters of the U.S., including wetlands. Waters of the U.S. are typically identified by the presence of an ordinary high-water mark (OHWM) and connectivity to traditional navigable waters or other jurisdictional features. The State Water Resources Control Board (SWRCB) and nine RWQCBs regulate discharges of fill and dredged material in California, under Section 401 of the CWA and the State Porter-Cologne Water Quality Control Act, through the State Water Quality Certification Program. State Water Quality Certification is necessary for all projects that require a USACE permit, or fall under other federal jurisdiction, or have the potential to impact waters of the State. Waters of the State are defined by the Porter-Cologne Act as any surface water or groundwater, including saline waters, within the boundaries of the state.

The project is located within the Yaro Creek Watershed, which is within the Salinas Watershed, and the project site is partially underlain by the Pozo Valley Groundwater Basin.

The County LUO dictates which projects are required to prepare a drainage plan, including any project that would, for example, change the runoff volume or velocity leaving any point of the site, result in an impervious surface of more than 20,000 square feet, or involve hillside development on slopes steeper than 10 percent. Preparation of a drainage plan is not required where grading is exclusively for an exempt agricultural structure, crop production, or grazing.

The County LUO also dictates that an erosion and sedimentation control plan is required year-round for all construction and grading permit projects and site disturbance activities of one-half acre or more in geologically unstable areas, on slopes steeper than 30 percent, on highly erodible soils, or within 100 feet of any watercourse.

Per the County's Stormwater Program, the Public Works Department is responsible for ensuring that new construction sites implement best management practices during construction, and that site plans incorporate appropriate post-construction stormwater runoff controls. Construction sites that disturb 1.0 acre or more must obtain coverage under the SWRCB's Construction General Permit. The Construction General Permit requires the preparation of a Stormwater Pollution Prevention Plan (SWPPP) to minimize on-site sedimentation and erosion. There are several types of projects that are exempt from preparing a SWPPP, including routine maintenance to existing developments, emergency construction activities, and projects exempted by the SWRCB or RWQCB. Projects that disturb less than 1.0 acre must implement all required elements within the site's erosion and sediment control plan as required by the San Luis Obispo County LUO.

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 high flood hazard potential, 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 project site is not located within a Flood Hazard combining designation. As described earlier, four drainages cross the property, with the closest creek being directly adjacent to (less than 60 feet from) the proposed project site.

The project would result in approximately 10 acres of site disturbance and the movement of approximately 12,364 cubic yards of material. Because the project would result in the disturbance of more than 1 acre, the applicant would be required to prepare a SWPPP, which would be implemented during construction. The project area is located less than 100 feet from the closest creek or surface water body and is adjacent to, but outside, a 100-year Flood Hazard designation.

Discussion

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

The project proposes to establish new cultivation sites and associated facilities in an area that contains gently to steeply sloping topography and is outside the 100-year Flood Hazard designation. The nearest streams include unnamed drainages located less than 60 feet north and 200 feet west of the proposed development area. The project would be required to comply with all National Pollution Discharge

Elimination System (NPDES) requirements and prepare a SWPPP that incorporate Best Management Practices (BMPs) during construction. Water quality protection measures would include protection of stockpiles, slopes, all disturbed areas, and access roads, as well as perimeter containment measures. Therefore, impacts related to violation of water quality standards, quality of groundwater, stormwater system capacity, amount of runoff, and location of activities within the flood zone are *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?

The project is not located within a groundwater basin designated as Level of Severity III per the County's Resource Management System or in severe decline by the Sustainable Groundwater Management Act (SGMA). The project would attain its water supply from an existing well located on-site, approximately 360 feet north of the proposed nursery structure. Based on information from the applicant, the on-site well produces 390 gallons per minute (gpm).

The project is partially located within the Pozo Valley Groundwater Basin, which is not categorized as being in a state of critical overdraft. A water demand analysis prepared by the applicant estimates that the total water demand for the project would be 30.76 acre-feet per year (AFY) or 27,459 gallons per day. The water well test reported an output of 390 gpm with a 4.25-hour recovery time (Filipponi and Thompson Drilling Inc. 2018). The well pump test and water quality analysis from 2018 conclude that the well produces sufficient water to meet the project's water demand. The project would not substantially increase water demand, deplete groundwater supplies, or interfere substantially with groundwater recharge; therefore, the project would not interfere with sustainable management of the groundwater basin. Potential impacts associated with groundwater supplies 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 proposes to establish new cultivation sites and associated facilities in an area that contains gently to steeply sloping topography and is partially within the 100-year Flood Hazard designation. The nearest streams include unnamed drainages located less than 60 feet north and 200 feet west of the proposed development area. The project would be required to comply with all National Pollution Discharge Elimination System (NPDES) requirements and prepare a SWPPP that incorporate Best Management Practices (BMPs) during construction. Water quality protection measures would include protection of stockpiles, slopes, all disturbed areas, and access roads, as well as perimeter containment measures.

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

The project would not substantially increase the amount of impervious surface area or the rate and volume of surface runoff in a manner that could result in flooding on- or off-site. Based on the nature and size of the project, changes in surface hydrology would be negligible. Therefore, potential impacts related to increased surface runoff resulting in flooding would be *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 project would not substantially increase the amount of impervious surface area or the rate and volume of surface runoff in a manner that could exceed the capacity of existing stormwater or drainage

systems. Based on the nature and size of the project, changes in surface hydrology would be negligible. Therefore, potential impacts related to increased surface runoff exceeding stormwater capacity would be *less than significant.*

(c-iv) Impede or redirect flood flows?

Based on the County Flood Hazard Map, a portion of the project site is located partially within a 100-year flood zone. The project would be subject to standard County requirements for drainage, sedimentation, and erosion control for construction and operation. Therefore, *impacts would be less than significant*.

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

Based on the County Safety Element, the project site is partially located within a 100-year flood zone and is not within an area that would be inundated if dam failure were to occur. Based on the San Luis Obispo County Tsunami Inundation Maps, the project site is not located in an area with potential for inundation by a tsunami (DOC 2019). The project site is not located within close proximity to a standing body of water with the potential for a seiche to occur. Therefore, the project site has no potential to release pollutants due to project inundation and impacts would be *less than significant*.

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

The project is not located within a groundwater basin designated as Level of Severity III per the County's Resource Management System or in severe decline by SGMA. The project would not substantially increase water demand, deplete groundwater supplies, or interfere substantially with groundwater recharge. The project would not conflict with the Central Coastal Basin Plan, SGMA, or other local or regional plans or policies intended to manage water quality or groundwater supplies; therefore, impacts would be *less than significant*.

Conclusion

The project would not result in potentially significant impacts associated with water quantity or water quality; therefore, impacts would be less than significant, and no mitigation is necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

XI. LAND USE AND PLANNING

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	ld the project:				
(a)	Physically divide an established community?			\boxtimes	



Setting

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 North County Area Plan, Las Pilitas Sub Area and is not subject to any community or village plans.

Discussion

(a) Physically divide an established community?

The project does not propose project elements or components that would physically divide the site from surrounding areas and uses. The project would be consistent with the general level of development within the project vicinity and would not create, close, or impede any existing public or private roads, or create any other barriers to movement or accessibility within the community. Therefore, the proposed project would not physically divide an established community and *impacts would be less than significant*.

Pegaso Inc.

Initial Study – Environmental Checklist

(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 project would be consistent with the property's land use designation and the guidelines and policies for development within the applicable area plan, inland LUO, and the COSE. The project was found to be consistent with standards and policies set forth in the County of San Luis Obispo General Plan, the North County Area Plan, the SLOAPCD Clean Air Plan, and other land use policies for this area. The project would be required to be consistent with standards set forth by County Fire/CAL FIRE and the County Public Works Department.

The westerly portion of the project site is subject to the Sensitive Resource Area (SRA) Combining Designation associated with the Santa Margarita Lake watershed. The proposed project is not located in this area of the project site within the SRA designation.

The project would be required to implement measures to mitigate potential impacts to aesthetic resources, air quality, biological resources, and energy resources; therefore, with mitigation, the project would not conflict with policies or regulations adopted for the purpose of avoiding or mitigating environmental effects and impacts would be *less than significant with mitigation*.

Conclusion

The project would be consistent with local and regional land use designations, plans, and policies and would not divide an established community. Potential impacts related to land use and planning would be less than significant with mitigation measures related to aesthetic resources, air quality, biological resources, and energy resources.

Mitigation

Implement Mitigation Measures AES-1, AQ-1, AQ-2, BIO-1 through BIO-3, ENG-1 through ENG-3.

Sources

Refer to Exhibit A.

XII. MINERAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Woul	d 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?			\boxtimes	
(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?			\boxtimes	

Setting

The California Surface Mining and Reclamation Act of 1975 (SMARA) requires that the State Geologist classify land into mineral resource zones (MRZ) according to the known or inferred mineral potential of the land (Public Resources Code Sections 2710–2796).

The three MRZs used in the SMARA classification-designation process in the San Luis Obispo-Santa Barbara Production-Consumption Region are defined below (California Geological Survey 2011a):

- **MRZ-1:** Areas where available geologic information indicates that little likelihood exists for the presence of significant mineral resources.
- **MRZ-2:** Areas where adequate information indicates that significant mineral deposits are present, or where it is judged that a high likelihood for their presence exists. This zone shall be applied to known mineral deposits or where well-developed lines of reasoning, based upon economic-geologic principles and adequate data, demonstrate that the likelihood for occurrence of significant mineral deposits is high.
- MRZ-3: Areas containing known or inferred aggregate resources of undetermined significance.

The County LUO provides regulations for development in delineated Energy and Extractive Resource Areas (EX) and Extractive Resource Areas (EX1). The EX combining designation is used to identify areas of the county where:

- 1. Mineral or petroleum extraction occurs or is proposed to occur;
- 2. The state geologist has designated a mineral resource area of statewide or regional significance pursuant to PRC Sections 2710 et seq. (SMARA); and,
- 3. Major public utility electric generation facilities exist or are proposed.

The purpose of this combining designation is to protect significant resource extraction and energy production areas identified by the County LUE from encroachment by incompatible land uses that could hinder resource extraction or energy production operations, or land uses that would be adversely affected by extraction or energy production.

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?

Based on the California Geological Survey (CGS) Information Warehouse for Mineral Land Classification, the project site is located within an area that has been evaluated for mineral resources concrete aggregate but is not located in close proximity to an active mine; active mines are located in the Salinas riverbed, which is 1.7 miles away from the project site (CGS 2015). In addition, based on Chapter 6 of the County of San Luis Obispo General Plan Conservation and Open Space Element – Mineral Resources, the project site is not located within an extractive resource area or an energy and extractive resource area. The project is not located within a designated mineral resource zone or within an Extractive Resource Area combining designation. There are no known mineral resources in the project area; therefore, *impacts would be less than significant*.

(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?

There are no known or mapped mineral resources in the project area and the likelihood of future mining of important resources within the project area is very low. Therefore, *impacts would be less than significant*.

Conclusion

No significant impacts to mineral resources would occur and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

XIII. NOISE

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	ld 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?			\boxtimes	
(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 San Luis Obispo County Noise Element of the General Plan provides a policy framework for addressing potential noise impacts in the planning process. The purpose of the Noise Element is to minimize future noise conflicts. The Noise Element identifies the major noise sources in the county (highways and freeways, primary arterial roadways and major local streets, railroad operations, aircraft and airport operations, local industrial facilities, and other stationary sources) and includes goals, policies, and implementation programs to reduce future noise impacts. Among the most significant polices of the Noise Element are numerical noise standards that limit noise exposure within noise-sensitive land uses, and performance standards for new commercial and industrial uses that might adversely impact noise-sensitive land uses.

Noise sensitive uses that have been identified by the County include the following:

- Residential development, except temporary dwellings
- Schools preschool to secondary, college and university, specialized education and training

- Health care services (e.g., hospitals, clinics, etc.)
- Nursing and personal care
- Churches
- Public assembly and entertainment
- Libraries and museums
- Hotels and motels
- Bed and breakfast facilities
- Outdoor sports and recreation
- Offices

All sound levels referred to in the Noise Element are expressed in A-weighted decibels (dB). A-weighting deemphasizes the very low and very high frequencies of sound in a manner similar to the human ear.

The existing ambient noise environment is characterized by marginal traffic on River Road and connecting roadways, as well as agricultural equipment from surrounding properties. The nearest existing noise-sensitive land use is a rural residence located approximately 0.32 miles to the northwest of the project site.

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?

The County of San Luis Obispo LUO establishes acceptable standards for exterior and interior noise levels and describe how noise shall be measured. Exterior noise level standards are applicable when a land use affected by noise is one of the sensitive uses listed in the Noise Element. Exterior noise levels are measured from the property line of the affected noise-sensitive land use.

Sound Levels	Daytime 7 a.m. to 10 p.m.	Nighttime ⁽²⁾
Hourly Equivalent Sound Level (L _{eq} , dB)	50	45
Maximum level, dB	70	65

Table 3. Maximum allowable exterior noise level standards⁽¹⁾

(1) When the receiving noise-sensitive land use is outdoor sports and recreation, the noise level standards are increased by 10 db.

(2) Applies only to uses that operate or are occupied during nighttime hours

For reference, 45 dB is approximately equivalent to background noise in a quiet office and 70 dB is similar to a toilet flushing.

The County LUO noise standards are subject to a range of exceptions, including noise sources associated with construction, provided such activities do not take place before 7 a.m. or after 9 p.m. on weekdays, or before 8 a.m. or after 5 p.m. on Saturday or Sunday. Noise associated with agricultural land uses (as listed

in Section 22.06.030), traffic on public roadways, railroad line operations, and aircraft in flight are also exempt.

Project construction would result in a temporary increase in noise levels associated with construction activities, equipment, and vehicle trips. Construction noise would be variable, temporary, and limited in nature and duration. The County LUO requires that construction activities be conducted during daytime hours to be able to utilize County construction noise exception standards and that construction equipment be equipped with appropriate mufflers recommended by the manufacturer. Compliance with these standards would ensure short-term construction noise would be less than significant.

The project proposes the use of an HVAC system that would be a permanent source of stationary noise. Noise associated with the use of wall- or roof-mounted HVAC and odor mitigation equipment associated with the proposed greenhouses and nursery building would be expected to generate noise levels of approximately 65 dBA at distance of 25 feet from the source. Noise attenuates (diminishes) at a rate of 6 dB per doubling of distance. Therefore, project related noise sources producing 65 dB at 25 feet will be perceived to produce about 41 dB at the nearest property line, assuming a distance of 400 feet from the proposed greenhouses. Therefore, the resulting noise is not anticipated to exceed the maximum allowable nighttime level (65 dB) or the hourly average equivalent noise level (45 dB). Ambient noise levels at the project site and in surrounding areas after project implementation would not be significantly different than existing levels. Therefore, potential operational noise impacts would be less than significant.

Based on the limited nature of construction activities, and the consistency of the proposed use with existing and surrounding uses, impacts associated with the generation of a substantial temporary or permanent increase in ambient noise levels would be *less than significant*.

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

The project does not propose substantial grading/earthmoving activities, pile driving, or other high impact activities that would generate substantial groundborne noise or groundborne vibration during construction. Construction equipment has the potential to generate minor groundborne noise and/or vibration, but these activities would be limited in duration and are not likely to be perceptible from adjacent areas. The project does not propose a use that would generate long-term operational groundborne noise or vibration. Therefore, impacts related to exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels 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 nearest airstrip in proximity to the project site is the Bogdan Airport in Santa Margarita, located approximately 8.3 miles northeast of the site. The project site is not located within an Airport Review designation or adjacent to a private airstrip. The project site is not located within or adjacent to an airport land use plan or within 2 miles of a public airport or private airstrip; therefore, *no impact would occur*.

Conclusion

Short-term construction activities would be limited in nature and duration and conducted during daytime periods per County LUO standards. No long-term operational noise or ground vibration would occur as a result of the project. Therefore, potential impacts related to noise would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

XIV. POPULATION AND HOUSING

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	Ild 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?			\boxtimes	

Setting

The County of San Luis Obispo General Plan Housing Element recognizes the difficulty for residents to find suitable and affordable housing within San Luis Obispo County. The Housing Element includes an analysis of vacant and underutilized land located in urban areas that is suitable for residential development and considers zoning provisions and development standards to encourage development of these areas. Consistent with State housing element laws, these areas are categorized into potential sites for very low- and low-income households, moderate-income households, and above moderate-income households.

The County's Inclusionary Housing Ordinance requires the provision of new affordable housing in conjunction with both residential and nonresidential development and subdivisions. 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 project site is currently developed with a single-family residence, which would not be impacted by implementation of the project.

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 project proposes cannabis activities within a rural area and would employ up to 12 full-time employees and up to 25 additional part-time/temporary employees during harvest times. Workers would likely be sourced from the local labor pool and would not require new or additional housing as a result of

the proposed project. The project would not generate a substantial number of new employment opportunities that would encourage population growth in the area. The project does not include the extension or establishment of roads, utilities, or other infrastructure that would induce development and population growth in new areas. In addition, the project would be subject to inclusionary housing fees to offset any potential increased need for housing in the area. Therefore, the project would not directly or indirectly induce substantial growth and 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 housing or necessitate the construction of replacement housing elsewhere; therefore, impacts would be *less than significant*.

Conclusion

No impacts to population and housing would occur and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to 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?			\boxtimes	
	Police protection?			\boxtimes	
	Schools?			\boxtimes	
	Parks?			\boxtimes	
	Other public facilities?			\boxtimes	

Setting

Fire protection services in unincorporated San Luis Obispo County are provided by the California Department of Forestry and Fire Protection (CAL FIRE), which has been under contract with the County of San Luis Obispo to provide full-service fire protection since 1930. Approximately 180 full-time state employees operate the County Fire Department, supplemented by as many as 100 state seasonal fire fighters, 300 County paid-call and reserve fire fighters, and 120 state inmate fire fighters. CAL FIRE responds to emergencies and other requests for assistance, plans for and takes action to prevent emergencies and to reduce their impact, coordinates regional emergency response efforts, and provides public education and training in local communities. CAL FIRE has 24 fire stations located throughout the county. The nearest fire station is County Fire/Cal Fire Station #40 located in Parkhill, approximately, 13.3 vehicle miles northwest of the project site. The response time from this station to the project site is approximately 15-20 minutes.

Police protection and emergency services in the unincorporated portions of the county are provided by the San Luis Obispo County Sheriff's Office. The Sheriff's Office Patrol Division responds to calls for service, conducts proactive law enforcement activities, and performs initial investigations of crimes. Patrol personnel are deployed from three stations throughout the county, the Coast Station in Los Osos, the North Station in Templeton, and the South Station in Oceano. The nearest Sheriff's station is Templeton, which is approximately 33 vehicle miles northwest. The San Luis Obispo Sheriff's office on Highway 1 is also 33 vehicle miles west of the project site.

San Luis Obispo County has a total of 12 school districts that currently enroll approximately 34,000 students in over 75 schools. The project site is located within the Atascadero Unified School District, which includes seven elementary schools, a middle school, a fine arts academy, and a high school. Based on the County's 2016-2018 Resource Summary Report, schools within the Atascadero Unified School District are currently operating at acceptable capacities and levels).

Within the County's unincorporated areas, there are currently 23 parks, three golf courses, four trails/staging areas, and eight Special Areas that include natural areas, coastal access, and historic facilities currently operated and maintained by the County. The project site is located 12.7 miles east of Santa Margarita Lake Recreation Area, a County-maintained day use park and campground

Public facilities fees, Quimby fees, and developer conditions are several ways the County currently funds public services. A public facility fee program (i.e., development impact fee program) has been adopted to address impacts related to public facilities (county) and schools (State Government Code 65995 et seq.). The fee amounts are assessed annually by the County based on the type of proposed development and the development's proportional impact and are collected at the time of building permit issuance. Public facility fees are used as needed to finance the construction of and/or improvements to public facilities required to the serve new development, including fire protection, law enforcement, schools, parks, and roads.

Discussion

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

Fire protection?

The project would be required to comply with all fire safety rules and regulations including the California Fire Code and Public Resources Code prior to issuance of building permits. Based on the limited nature of development proposed, the project would not result in a significant increase in demand for fire protection services that would require the construction. The project would be served by existing fire protection Pegaso Inc.

Initial Study – Environmental Checklist

services and would not result in the need for new or altered fire protection services or facilities. In addition, the project would be subject to development impact fees to offset the project's contribution to demand for fire protection services. Therefore, impacts would be *less than significant*.

Police protection?

The applicant has prepared a Security Plan subject to review and approval by the County Sheriff's Department. The Security Plan lays out infrastructure and operational guidelines for the security team to prevent and deter any foreseeable security breaches, crimes, and/or statute violations. The project would be required to adhere to the security measures and protocols in the Security Plan, as well as with any additional recommendation or requirements provided by the County Sheriff's Office. In addition, the project would be subject to public facility fees to offset the project's cumulative contribution to demand on law enforcement services. Therefore, impacts related to police services would be *less than significant*.

Schools?

As discussed in Section XIV. Population and Housing, the project would not induce a substantial increase in population growth and would not result in the need for additional school services or facilities to serve new student populations. Therefore, potential impacts would be *less than significant*.

Parks?

As discussed in Section XIV. Population and Housing, the project would not induce a substantial increase in population growth and would not result in the need for additional parks or recreational services or facilities to serve new populations. Therefore, potential impacts would be *less than significant*.

Other public facilities?

As discussed above, the proposed project would be subject to applicable fees to offset negligible increased demands on public facilities; therefore, impacts related to other public facilities would be *less than significant*.

Conclusion

The project does not propose development that would substantially increase demands on public services and would not induce population growth that would substantially increase demands on public services. The project would be subject to payment of development impact fees to reduce the project's negligible contribution to increased demands on public services and facilities. Therefore, potential impacts related to public services would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to 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?			\boxtimes	
(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?			\boxtimes	

Setting

The County of San Luis Obispo Parks and Recreation Element (Recreation Element) establishes goals, policies, and implementation measures for the management, renovation, and expansion of existing, and the development of new, parks and recreation facilities in order to meet existing and projected needs and to assure an equitable distribution of parks throughout the county.

Public facilities fees, Quimby fees, and developer conditions are several ways the County currently funds public parks and recreational facilities. Public facility fees are collected upon construction of new residential units and currently provide funding for new community-serving recreation facilities. Quimby Fees are collected when new residential lots are created and can be used to expand, acquire, rehabilitate, or develop community-serving parks. Finally, a discretionary permit issued by the County may condition a project to provide land, amenities, or facilities consistent with the Recreation Element.

The County Bikeways Plan identifies and prioritizes bikeway facilities throughout the unincorporated area of the county, including bikeways, parking, connections with public transportation, educational programs, and funding. The Bikeways Plan is updated every 5 years and was last updated in 2016. The plan identifies goals, policies, and procedures geared towards realizing significant bicycle use as a key component of the transportation options for San Luis Obispo County residents. The plan also includes descriptions of bikeway design and improvement standards, an inventory of the current bicycle circulation network, and a list of current and future bikeway projects within the county.

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?

The project proposes cannabis activities within a rural area and would employ up to 12 full-time employees and up to 25 additional part-time/temporary employees during harvest times. Workers would likely be sourced from the local labor pool and would not result in increased demand on existing or planned recreational facilities in the county. The project is not proposed in a location that would affect any existing trail, park, recreational facility, coastal access, and/or natural area. The project would not result in a substantial growth within the area and would not substantially increase demand on any proximate existing neighborhood or regional park or other recreational facilities. Payment of standard

Pegaso Inc.

Initial Study – Environmental Checklist

development impact fees would ensure any incremental increase in use of existing parks and recreational facilities would be reduced to *less than significant*.

(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 the construction of new recreational facilities and would not result in a substantial increase in demand or use of parks and recreational facilities. Implementation of the project would not require the construction or expansion of recreational facilities; therefore, impacts would be *less than significant*.

Conclusion

The project would not result in the significant increase in use, construction, or expansion of parks or recreational facilities. Therefore, potential impacts related to recreation would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

XVII. TRANSPORTATION

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

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 County has established Level of Service (LOS) "C" or better for rural roadways. The project site currently has one residence and generates a very low volume of traffic. The project site is located in a rural area and is accessed by River Road in Santa Margarita. River Road is accessed from Parkhill Road to the north and West Pozo Road to the south, both of which connect to State Route 58. Based on the North County Area Plan, no roads within the general vicinity have been identified as having congestion concerns or needing improvements (County of San Luis Obispo 2014). No privately maintained roads are used to access the project site; access from River Road is via a 750-foot unimproved driveway. A project referral package was sent to the County Public Works Department and no traffic-related concerns were identified.

In 2013, Senate Bill 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 Senate Bill 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]). Beginning July 1, 2020, the newly adopted VMT criteria for determining significance of transportation impacts must be implemented statewide.

The San Luis Obispo Council of Governments (SLOCOG) holds several key roles in transportation planning within the county. As the Regional Transportation Planning Agency (RTPA), SLOCOG is responsible for conducting a comprehensive, coordinated transportation program, preparation of a Regional Transportation Plan (RTP), programming of state funds for transportation projects, and the administration and allocation of transportation development act funds required by state statutes. As the Metropolitan Planning Organization (MPO), SLOCOG is also responsible for all transportation planning and programming activities required under federal law. This includes development of long-range transportation plans and funding programs, and the approval of transportation projects using federal funds.

The 2019 RTP, adopted June 5, 2019, is a long-term blueprint of San Luis Obispo County's transportation system. The plan identifies and analyzes transportation needs of the region and creates a framework for project priorities. SLOCOG represents and works with the County of San Luis Obispo as well as the Cities within the county in facilitating the development of the RTP.

The County Department of Public Works establishes bicycle paths and lanes in coordination with the RTP, which outlines how the region can establish an extensive bikeway network. County bikeway facilities are funded by state grants, local general funds, and developer contributions. The RTP also establishes goals and recommendations to develop, promote, and invest in the public transit systems, rail systems, air services, harbor improvements, and commodity movements within the county in order to meet the needs of transit-dependent individuals and encourage the increasing use of alternative modes by all travelers that choose public transportation. Local transit systems are presently in operation in the cities of Morro Bay and San Luis Obispo, and South County services are offered to Grover Beach, Arroyo Grande, Pismo Beach, and Oceano. Dial-a-ride systems provide intra-community transit in Morro Bay, Atascadero, and Los Osos. Inter-urban systems operate between the City of San Luis Obispo and South County, Los Osos, and the North Coast.

The County's Framework for Planning (Inland), includes the Land Use and Circulation Elements of the County's 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. There are no public transit facilities to 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 does not propose the substantial temporary or long-term alteration of any proximate transportation facilities. The project is estimated to generate approximately 48 trips per day, including five trips during the PM peak hour of 4:00 p.m. to 6:00 p.m. The majority of these trips would use River Road and Pozo Road. Projected trip generation from the project would be generally consistent with surrounding rural residential land uses and would not have a significant impact on area roadway operations. Marginal increases in traffic can be accommodated by existing local streets and the project would not result in any long-term changes in traffic or circulation or reduce the Level of Service below LOS "C". The project does not propose uses that would interfere or conflict with applicable policies related to circulation, transit, roadway, bicycle, or pedestrian systems or facilities. The project would be consistent with the County Framework for Planning (Inland) and consistent with the projected level of growth and development identified in the 2019 RTP. Therefore, potential impacts would be *less than significant*.

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

The County of San Luis Obispo has not yet identified an appropriate model or method to estimate vehicle miles traveled for proposed land use development projects. Section 15064.3, subdivision (b) states that if existing models or methods are not available to estimate the vehicle miles traveled for the particular project being considered, a lead agency may analyze the project's vehicle miles traveled qualitatively.

Based on the nature and location of the project, the project would not generate a significant increase in construction-related or operational traffic trips or vehicle miles traveled. The project would not substantially change existing land uses and would not result in the need for additional new or expanded transportation facilities. The project would be subject to standard development impact fees to offset the relative impacts on surrounding roadways. Therefore, potential 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 would not change roadway design and does not include geometric design features that would create new hazards or an incompatible use. Therefore, impacts would be *less than significant*.

(d) Result in inadequate emergency access?

The project would not result in road closures during short-term construction activities or long-term operations. Individual access to adjacent properties would be maintained during construction activities and throughout the project area. Project implementation would not affect long-term access through the project area and sufficient alternative access exists to accommodate regional trips. Therefore, the project would not adversely affect existing emergency access and impacts would be *less than significant*.

Conclusion

The project would not alter existing transportation facilities or result in the generation of substantial additional trips or vehicle miles traveled. Payment of standard development fees and compliance with existing regulations would ensure potential impacts were reduced to less than significant. Therefore, potential impacts related to transportation would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

XVIII. TRIBAL CULTURAL RESOURCES

			Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(a)	Wou adve triba Resc site, is ge size plac Calif is:	Id the project cause a substantial erse change in the significance of a al cultural resource, defined in Public burces Code section 21074 as either a feature, place, cultural landscape that eographically defined in terms of the and scope of the landscape, sacred e, or object with cultural value to a fornia Native American tribe, and that				
	(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

Approved in 2014, AB 52 added tribal cultural resources to the categories of resources that must be evaluated under CEQA. Tribal cultural resources are defined as either of the following:

1) Sites, features, cultural landscapes, sacred places, and objects with cultural value to a California Native American tribe that are either of the following:

- a. Included or determined to be eligible for inclusion in the California Register of Historical Resources; or
- b. Included in a local register of historical resources as defined in subdivision (k) of California Public Resources Code Section 5020.1.
- 2) 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 California Public Resources Code Section 5024.1. In applying these criteria for the purposes of this paragraph, the lead agency shall consider the significance of the resource to a California Native American Tribe.

Recognizing that tribes have expertise with regard to their tribal history and practices, AB 52 requires lead agencies to provide notice to tribes that are traditionally and culturally affiliated with the geographic area of a proposed project if they have requested notice of projects proposed within that area. If the tribe requests consultation within 30 days upon receipt of the notice, the lead agency must consult with the tribe regarding the potential for adverse impacts on tribal cultural resources as a result of a project. Consultation may include discussing the type of environmental review necessary, the presence and/or significance of tribal cultural resources, the level of significance of a project's impacts on the tribal cultural resources, and available project alternatives and mitigation measures recommended by the tribe to avoid or lessen potential impacts on tribal cultural resources.

In accordance with AB 52 cultural resources requirements, outreach to numerous Native American tribes has been conducted: Santa Ynes Ynez Band of Chumash Indians, Barbareno/Ventureno Band of Mission Indians, Salinan Tribe of Monterey and San Luis Obispo Counties, Xolon Salinan, yak tit^yu tit^yu yak tiłhini Northern Chumash, Coastal Chumash, and Northern Chumash Tribal Council. A response was received by the Northern Chumash Tribal Council requesting a copy of the archaeological report. No further consultation was requested.

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)?

The County has provided notice of the opportunity to consult with appropriate tribes per the requirements of AB 52 and the project site does not contain any known tribal cultural resources that have been listed or been found eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in PRC Section 5020.1. Potential impacts associated with the inadvertent discovery of tribal cultural resources would be subject to LUO 22.10.040 (Archaeological Resources), which requires that in the event resources are encountered during project construction, construction activities shall cease, and the County Planning and Building Department shall be notified of the discovery so that the extent and location of discovered materials may be recorded by a qualified archaeologist, and the disposition of artifacts may be accomplished in accordance with state and federal law. Therefore, impacts related to a substantial adverse change in the significance of tribal cultural resources would be *less than significant*.

Pegaso Inc.

Initial Study – Environmental Checklist

(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.

The project site does not contain any resources determined by the County to be a potentially significant tribal cultural resource. Impacts associated with potential inadvertent discovery would be minimized through compliance with existing standards and regulations (LUO 22.10.040). Therefore, potential impacts would be *less than significant*.

Conclusion

No tribal cultural resources are known or expected to occur within or adjacent to the project site. In the event unanticipated sensitive resources are discovered during project activities, adherence with County LUO standards and State Health and Safety Code procedures would reduce potential impacts to less than significant; therefore, potential impacts to tribal cultural resources would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

XIX. UTILITIES AND SERVICE SYSTEMS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Wou	ld 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?			\boxtimes	
(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?				

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(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?			\boxtimes	
(e)	Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?			\boxtimes	

Setting

The County Public Works Department provides water and wastewater services for specific County Service Areas (CSAs) that are managed through issuance of water/wastewater "will serve" letters. The Department of Public Works currently maintains CSAs for the communities of Nipomo, Oak Shores, Cayucos, Avila Beach, Shandon, the San Luis Obispo County Club, and Santa Margarita. Other unincorporated areas in the County rely on on-site wells and individual wastewater systems. Regulatory standards and design criteria for onsite wastewater treatment systems are provided by the Water Quality Control Policy for Siting, Design, Operation, and Maintenance of Onsite Wastewater Treatment Systems (California OWTS Policy).

Per the County's Stormwater Program, the Public Works Department is responsible for ensuring that new construction sites implement best management practices during construction, and that site plans incorporate appropriate post-construction stormwater runoff controls. Construction sites that disturb 1.0 acre or more must obtain coverage under the SWRCB's Construction General Permit. Pacific Gas & Electric Company (PG&E) is the primary electricity provider and both PG&E and Southern California Gas Company provide natural gas services for urban and rural communities within the County of San Luis Obispo. The project would be served by a domestic well for water and a new septic system and leach field for wastewater disposal. The project's energy needs would be provided by PG&E.

There are three landfills in San Luis Obispo County: Cold Canyon Landfill, located near the City of San Luis Obispo, Chicago Grade Landfill, located near the community of Templeton, and Paso Robles Landfill, located east of the City of Paso Robles. The project's solid waste needs would be served by Mid-State Solid Waste and Recycling and the Chicago Grade Landfill.

Discussion

(a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electrical power, natural gas, or telecommunications facilities, the construction of which could cause significant environmental effects?

The project would not result in a substantial increase in demand on water, wastewater, or stormwater collection, treatment, or disposal facilities and would not require the construction of new or expanded water, wastewater, or stormwater facilities. The project, with incorporation of the recommended mitigation measures, would not result in a substantial increase in energy demand, natural gas, or telecommunications; no new or expanded facilities would be required. No utility relocations are proposed. Therefore, impacts would be *less than significant*.

Pegaso Inc.

Initial Study – Environmental Checklist

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

The project would obtain its water supply from an existing well located on-site, approximately 360 feet north of the proposed nursery structure. Based on information from the applicant, the on-site well produces 390 gallons per minute (gpm) which is sufficient to serve the project. 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 supply entitlements. Short-term construction activities would require minimal amounts of water, which would be met through available existing supplies. Operational water demands would not be substantially different than existing demands. Therefore, potential impacts on water supplies 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 substantially increase demands on existing wastewater collection, treatment, and disposal facilities. The project does not include new connections to wastewater treatment facilities; 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?

The nearest landfill to the site is the Chicago Grade Landfill, located approximately five miles to the south. The landfill has a remaining capacity of approximately four million cubic yards as of 2019. The incremental amount of greenwaste generated by the project that is not recycled/reused would be within the service capacity of the landfill. Construction activities would result in the generation of minimal solid waste materials; no significant long-term increase in solid waste would occur. Local landfills have adequate permit capacity to serve the project and the project does not propose to generate solid waste in excess of State or local standards or otherwise impair the attainment of solid waste reduction goals. Therefore, potential impacts would be *less than significant*.

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

The project would not result in a substantial increase in waste generation during project construction or operation. Construction waste disposal would comply with federal, state, and local management and reduction statutes and regulations related to solid waste. Therefore, potential impacts would be *less than significant*.

Conclusion

The project would not result in significant increased demands on water, wastewater, or stormwater infrastructure and facilities. No substantial increase in solid waste generation would occur. Therefore, potential impacts to utilities and service systems would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

XX. WILDFIRE

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
If loo	cated in or near state responsibility areas or land	s classified as very	/ high fire hazard sev	verity zones, would	the project:
(a)	Substantially impair an adopted emergency response plan or emergency evacuation plan?			\boxtimes	
(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?			\boxtimes	
(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?			\boxtimes	

Setting

In central California, the fire season usually extends from roughly May through October, however, recent events indicate that wildfire behavior, frequency, and duration of the fire season are changing in California. Fire Hazard Severity Zones (FHSZ) are defined by the California Department of Forestry and Fire Protection (CALFIRE) based on the presence of fire-prone vegetation, climate, topography, assets at risk (e.g., high population centers), and a fire protection agency's ability to provide service to the area (CAL FIRE 2007). FHSZs throughout the County have been designated as "Very High," "High," or "Moderate." In San Luis Obispo County, most of the area that has been designated as a "Very High Fire Hazard Severity Zone" is located in the Santa Lucia Mountains, which extend parallel to the coast along the entire length of San Luis Obispo County. The Moderate Hazard designation does not mean the area cannot experience a damaging fire; rather, it indicates that the probability is reduced, generally because the number of days a year that the area has "fire weather" is less than in high or very high fire severity zones.

The County Emergency Operations Plan (EOP) addresses several overall policy and coordination functions related to emergency management. The EOP includes the following components:

• Identifies the departments and agencies designated to perform response and recovery activities and specifies tasks they must accomplish;

- Outlines the integration of assistance that is available to local jurisdictions during disaster situations that generate emergency response and recovery needs beyond what the local jurisdiction can satisfy;
- Specifies the direction, control, and communications procedures and systems that will be relied upon to alert, notify, recall, and dispatch emergency response personnel, alert the public, protect residents and property, and request aid/support from other jurisdictions and/or the federal government;
- Identifies key continuity of government operations; and
- Describes the overall logistical support process for planned operations.

Topography influences wildland fire to such an extent that slope conditions can often become a critical wildland fire factor. Conditions such as speed and direction of dominant wind patterns, the length and steepness of slopes, direction of exposure, and/or overall ruggedness of terrain influence the potential intensity and behavior of wildland fires and/or the rates at which they may spread (Barros et al. 2013).

The County of San Luis Obispo Safety Element establishes goals, policies, and programs to reduce the threat to life, structures, and the environment caused by fire. Policy S-13 identifies that new development should be carefully located, with special attention given to fuel management in higher fire risk areas, and that new development in fire hazard areas should be configured to minimize the potential for added danger. Implementation strategies for this policy include identifying high risk areas, the development and implementation of mitigation efforts to reduce the threat of fire, requiring fire resistant material to be used for building construction in fire hazard areas, and encouraging applicants applying for subdivisions in fire hazard areas to cluster development to allow for a wildfire protection zone.

The California Fire Code provides minimum standards for many aspects of fire prevention and suppression activities. These standards include provisions for emergency vehicle access, water supply, fire protection systems, and the use of fire resistant building materials.

The County has prepared an Emergency Operations Plan (EOP) to outline the emergency measures that are essential for protecting the public health and safety. These measures include, but are not limited to, public alert and notifications, emergency public information, and protective actions. The EOP also addresses policy and coordination related to emergency management.

Discussion

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

The project does not require any road closures and would be designed to accommodate emergency vehicle access. Implementation of the proposed project would not have a permanent impact on any adopted emergency response plans or emergency evacuation plans. Temporary construction activities and staging would not substantially alter existing circulation patterns or trips. Access to adjacent areas would be maintained throughout the duration of the project. There are adequate alternative routes available to accommodate any rerouted trips through the project area for the short-term construction period.

The project does not require any road closures and would be designed to accommodate emergency vehicle access. Based on the County's Land Use View tool and Dam and Levee Failure Plan, the project is not located within an area that would be inundated in the event of failure of the Salinas Dam (Santa Margarita Lake). The project would not impair implementation or physically interfere with County hazard mitigation or emergency plans; therefore, no impacts related to emergency plans would occur.

Therefore, the project would not substantially impair an adopted emergency response plan or emergency evacuation plan. Potential impacts would be *less than significant*.

Pegaso Inc.

Initial Study – Environmental Checklist

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

The project is located within the Very High Fire Hazard Severity Zone and is located on a parcel with moderately dense native vegetation and limited access. The site is located within a State Responsibility Area and, based on the County's fire response time map, it would take 15–20 minutes to respond to a call regarding fire or life safety. The project would be designed to comply with all fire safety rules and regulations, including the California Fire Code and Public Resources Code, which includes improvements to the existing access road/driveway to accommodate emergency vehicle access, vegetation clearing or trimming around all existing and proposed structures, and installation of a water storage tank for fire protection. The County Fire Department/California Department of Forestry and Fire Protection (CAL FIRE) prepared a Fire Safety Plan letter for the project, and the applicant will be required to comply with the requirements of the plan for the life of the project.

The cannabis activities would be located on fairly level slopes. Winds in the area vary from 6-8 miles per hour and primarily come from the north (October-April) and west (April-October). As described in Section 6, Geology and Soils, the potential for landslides in the project area is moderate, but the project is not proposing disturbance in areas of steep slopes that would be conducive to the formation of debris flows in the nearby existing channels.

Therefore, potential impacts would be less than significant.

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

The project would be designed to comply with all fire safety rules and regulations, including the California Fire Code and Public Resources Code, which includes improvements to the existing access road/driveway to accommodate emergency vehicle access, vegetation clearing or trimming around all existing and proposed structures, and installation of a water storage tank for fire protection. These infrastructure improvements would reduce fire risk. Therefore, potential 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?

The cannabis activities would be located on fairly level slopes. Winds in the area vary from 6-8 miles per hour and primarily come from the north (October-April) and west (April-October). As described in Section 6, Geology and Soils, the potential for landslides in the project area is moderate, but the project is not proposing disturbance in areas of steep slopes that would be conducive to the formation of debris flows in the nearby existing channels. The project does not include any design elements that would 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. Therefore, impacts would be *less than significant*.

Conclusion

The project would not expose people or structures to new or exacerbated wildfire risks and would not require the development of new or expanded infrastructure or maintenance to reduce wildfire risks. Therefore, potential impacts associated with wildfire would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to 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?			\boxtimes	

Setting

Refer to setting information provided above.

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?

Based on the nature and scale of proposed development, the project does not have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a

Pegaso Inc.

Initial Study – Environmental Checklist

plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory. Potential impacts would be *less than significant*.

(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 proposed project does not have impacts that are individually limited, but cumulatively considerable. Therefore, potential cumulative impacts would be *less than significant*.

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

Based on the nature and scale of the project, the project would not result in a substantial adverse direct or indirect effect on human beings.

Conclusion

Potential impacts would be less than significant and no mitigation measures are necessary.

Mitigation

None necessary.

Sources

Refer to Exhibit A.

Exhibits

Exhibit A – Initial Study References and Agency Contacts Exhibit B – Mitigation Summary Exhibit C – CNDDB 5-mile Search Results

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 \boxtimes) and when a response was made, it is either attached or in the application file:

Contacted	Agency	Response
\boxtimes	County Public Works Department	In File**
\boxtimes	County Environmental Health Services	In File**
\square	County Agricultural Commissioner's Office	In File**
	County Airport Manager	Not Applicable
	Airport Land Use Commission	Not Applicable
\boxtimes	Air Pollution Control District	In File**
\bowtie	County Sheriff's Department	None
\bowtie	Regional Water Quality Control Board	None
	CA Coastal Commission	Not Applicable
\bowtie	CA Department of Fish and Wildlife	None
\bowtie	CA Department of Forestry (Cal Fire)	In File**
	CA Department of Transportation	Not Applicable
	Community Services District	Not Applicable
\boxtimes	Other	In File**
	Other	Not Applicable

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

The following checked (" \boxtimes ") 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.

\boxtimes	Project File for the Subject Application		Design Plan
	<u>County Documents</u>		Specific Plan
	Coastal Plan Policies	\boxtimes	Annual Resource Summary Report
\boxtimes	Framework for Planning (Coastal/Inland)		Circulation Study
\boxtimes	General Plan (Inland/Coastal), includes all		Other Documents
	maps/elements; more pertinent elements:	\boxtimes	Clean Air Plan/APCD Handbook
	Agriculture Element	\boxtimes	Regional Transportation Plan
	Conservation & Open Space Element	\boxtimes	Uniform Fire Code
	Economic Element	\boxtimes	Water Quality Control Plan (Central Coast Basin –
	Housing Element		Region 3)
	🛛 Noise Element	\boxtimes	Archaeological Resources Map
	Parks & Recreation Element/Project List	\boxtimes	Area of Critical Concerns Map
	Safety Element	\boxtimes	Special Biological Importance Map
\boxtimes	Land Use Ordinance (Inland/Coastal)	\boxtimes	CA Natural Species Diversity Database
\boxtimes	Building and Construction Ordinance	\boxtimes	Fire Hazard Severity Map
\boxtimes	Public Facilities Fee Ordinance	\boxtimes	Flood Hazard Maps
	Real Property Division Ordinance	\boxtimes	Natural Resources Conservation Service Soil Survey
	Affordable Housing Fund		for SLO County
	Airport Land Use Plan	\boxtimes	GIS mapping layers (e.g., habitat, streams, contours,
\boxtimes	Energy Wise Plan		etc.)
\boxtimes	North County Area Plan/Las Pilitas Sub Area		Other

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

- Barros, Ana M.G., Jose M.C. Pereira, Max A. Moritz, and Scott L. Stephens. 2013. Spatial Characterization of Wildfire Orientation Patterns in California. Forests 2013, 4; Pp 197-217." 2013.
- CAL FIRE. 2007. "Draft Fire Hazard Severity Zones in Local Responsibility Areas." Available at http://frap.fire.ca.gov/webdata/maps/san_luis_obispo/fhszl06_1_map.40.pdf
- California Department of Food and Agriculture Medical Cannabis Cultivation Program. Literature Review on the Impacts of Cannabis Cultivation. 2017. Available at: < https://static.cdfa.ca.gov/MCCP/document/Literature%20Review_February_2017.pdf>
- California Department of Toxic Substances Control (DTSC). 2019. EnviroStor. Available at: https://www.envirostor.dtsc.ca.gov/public/

California Department of Transportation (Caltrans). 2008. Scenic Highway Guidelines. October 2008.

- California State Water Resources Control Board. 2012. Water Quality Control Policy for Siting, Design, Operation, and Maintenance of Onsite Wastewater Treatment Systems. June 19th, 2012.
- . 2015. Geotracker. Available at: <http://geotracker.waterboards.ca.gov/>
- _____. 2018. Water Quality Control Policy for Siting, Design, Operation, and Maintenance of Onsite Wastewater Treatment Systems (OWTUS Policy) Fact Sheet. August 2018.
- County of San Luis Obispo. 2007. San Joaquin Kit Fox Standard Mitigation Ratio Areas. Available at: https://www.slocounty.ca.gov/getattachment/2c0fc293-eb37-4a0c-af22-5e0992efd025/Kit-Fox-Habitat-Area.aspx
- _____. 2016. 2015/2016 County Bikeways Plan. July 6th, 2016.
- _____. 2016. Emergency Operation Plan. December 2016.
- _____. 2018. San Luis Obispo County Parks & Recreation Group Day Use & Facilities. Available at: https://slocountyparks.com/day-use-parks/
- County of San Luis Obispo Department of Planning and Building. 2018. Onsite Wastewater Treatment System Local Agency Management Program. January 18th, 2018.
- County of Santa Barbara Executive Office. 2018. Cannabis Energy Conservation Plan Electricity Use Calculation Form. Available at: < http://cannabis.countyofsb.org/asset.c/86>
- County of Santa Barbara Department of Planning and Development. 2017. Final Environmental Impact Report (EIR) for the Cannabis Land Use Ordinance and Licensing Program. Available at: < http://cannabis.countyofsb.org/uploadedFiles/cannabis/Documents/Final_PEIR/Santa%20Barbara%20_Can nabis%20FEIR-Volume%201.pdf>
- Department of Conservation (DOC). 2019. San Luis Obispo County Tsunami Inundation Maps. Available at: < https://www.conservation.ca.gov/cgs/tsunami/maps/San-Luis-Obispo>

Pacific Gas and Electric (PG&E). 2019. Delivering Low-Emission Energy. Available at:

<https://www.pge.com/en_US/about-pge/environment/what-we-are-doing/clean-energy-solutions/clean-energy-solutions.page>

- San Luis Obispo Council of Governments (SLOCOG). 2019. Responsibilities. Available at: https://slocog.org/about/responsibilities
- Sempra Energy. 2019. SoCalGas Announces Vision to Be Cleanest Natural Gas Utility. Available at: < https://www.sempra.com/newsroom/spotlight-articles/socalgas-announces-vision-be-cleanest-natural-gas-utility>
- United States Geological Survey (USGS). 2019. Areas of Land Subsidence in California. Available at: https://ca.water.usgs.gov/land_subsidence/california-subsidence-areas.html
- U.S. Fish and Wildlife Service (USFWS). 2019. National Wetlands Inventory Surface Waters and Wetlands. May 5, 2019. Available at: https://www.fws.gov/wetlands/data/Mapper.html

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.

- **AES-1.** Nighttime lighting. Prior to issuance of construction permits, the applicant shall submit a light pollution prevention plan (LPPP) to the County Planning Department for approval that incorporates the following measures to reduce impacts related to night lighting:
 - a. Prevent all interior lighting from being detected outside the facilities between the period of 1 hour before dusk and 1 hour after dawn;
 - b. All facilities employing artificial lighting techniques shall include shielding and/or blackout tarps that are engaged between the period of 1 hour before dusk and 1 hour after dawn and prevent any and all light from escaping;
 - c. Any exterior path lighting shall conform to LUO Section 22.10.060, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site. Exterior path lighting shall be "warm-white" or filtered (correlated color temperature of < 3,000 Kelvin; scotopic/photopic ratio of < 1.2) to minimize blue emissions; and</p>
 - d. Any exterior lighting used for security purposes shall be motion activated, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site, and shall be of the lowest-lumen necessary to address security issues.
- **AQ-1. Fugitive Dust Emissions.** The following measures shall be implemented to minimize constructiongenerated emissions. These measures are based on SLOAPCD standard mitigation measures and would help to ensure compliance with the SLOAPCD's 20% opacity limit (SLOAPCD Rule 401) and nuisance rule (SLOAPCD Rule 402). These measures shall be shown on grading and building plans:
 - a. Construction of the proposed project shall use low-VOC content paints not exceeding 50 grams per liter.
 - b. To the extent locally available, prefinished building materials or materials that do not require the application of architectural coatings shall be used.
 - c. Reduce the amount of the disturbed area where possible.
 - d. Use water trucks, APCD approved dust suppressants (see Section 4.3 in the CEQA Air Quality Handbook), or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the District's limit of 20% opacity for greater than 3 minutes in any 60-minute period. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible. Please note that since water use is a concern due to drought conditions, the contractor or builder shall consider the use of an APCD-approved dust suppressant where feasible to reduce the amount of water used for dust control. For a list of suppressants, see Section 4.3 of the CEQA Air Quality Handbook.

- e. All dirt stock-pile areas should be sprayed daily as needed.
- f. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil disturbing activities;
- g. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established.
- h. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the SLOAPCD.
- i. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used.
- j. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site.
- k. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114.
- I. Install wheel washers at the construction site entrance, wash off the tires or tracks of all trucks and equipment leaving the site, or implement other SLOAPCD-approved methods sufficient to minimize the track-out of soil onto paved roadways.
- m. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible.
- n. The burning of vegetative material shall be prohibited. Effective February 25, 2000, the APCD prohibited developmental burning of vegetative material within San Luis Obispo County. If you have any questions regarding these requirements, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.
- The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the SLOAPCD Compliance Division prior to the start of any grading, earthwork or demolition.
- p. When applicable, portable equipment, 50 horsepower (hp) or greater, used during construction activities shall be registered with the California statewide portable equipment registration program (issued by the California Air Resources Board) or be permitted by the APCD. Such equipment may include: power screens, conveyors, internal combustion engines, crushers, portable generators, tub grinders, trammel screens, and portable plants (e.g, aggregate plant, asphalt plant, concrete plant). For more information, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.
- **AQ-2. ROG**, **NO**_x, **DPM Emissions.** The following measures based on the SLOAPCD standard mitigation measures for construction equipment for reducing nitrogen oxides (NOx), reactive organic gases (ROG), and diesel particulate matter (DPM) emissions from construction equipment shall be implemented to

reduce expose of sensitive receptors to substantial pollutant concentrations. These measures shall be shown on grading and building plans:

- I. Implement Mitigation Measure AQ-1, as identified above.
- m. On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:
- n. Shall not idle the vehicle's primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and,
- Shall not operate a diesel-fueled auxiliary power system to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.
- p. Maintain all construction equipment in proper tune according to manufacturer's specifications;
- q. Fuel all off-road and portable diesel-powered equipment with ARB certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
- r. Use diesel construction equipment meeting ARB's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation;
- s. Idling of all on and off-road diesel-fueled vehicles shall not be permitted when not in use. Signs shall be posted in the designated queuing areas and or job site to remind drivers and operators of the no idling limitation.
- t. Electrify equipment when possible;
- u. Substitute gasoline-powered in place of diesel-powered equipment, when available; and,
- v. Use alternatively fueled construction equipment on-site when available, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane or biodiesel.
- BIO-1. Particulate Tarplant. Prior to ground disturbance or establishment of the use, the applicant shall retain a County-qualified biologist to mitigation for permanent impacts to paniculate tarplant, a California Rare Plant Rank 4.2 species. The biologist shall mitigate impacts to particulate tarplant at a 1:1 ratio (preserved/created habitat:impacted habitat). The goal of this mitigation measure is to ensure paniculate tarplant persists outside the project footprint, within the study area, in an area at least as large as the preproject condition of 0.18 acre. Habitat creation shall be accomplished by collecting seed from on-site tarplants to be impacted by the project and dispersing the seeds within the pre-determined mitigation site east of the project. Within 60 days after all site disturbance in the area of existing paniculate tarplant has occurred, the biologist shall hand-broadcast paniculate tarplant seed within the mitigation area. The mitigation area shall be mapped, and a status report shall be submitted to the County within 30 days of the hand broadcast. The on-site paniculate tarplant patch shall be surveyed by the biologist in the fall after broadcasting, and all paniculate tarplants in the study area shall be mapped. If the target patch size is met, the mitigation shall be deemed complete and a completion report shall be provided to the County. If the target patch size is not met, the project biologist shall recommend remedial measures in a status report to the County. Remedial measures shall be in place until the biologist determines the target patch size has been achieved and a completion report is provided to the County. A status report shall be

provided to the County each year prior to renewal of business license, until a completion report is provided.

- **BIO-2.** Nesting Birds and Raptors. Site preparation, ground disturbance, and construction activities including any tree trimming and vegetation removal shall be conducted outside of the migratory bird nesting season (February 1 through August 31). If such activities cannot be avoided during this period, a County-approved qualified biologist shall conduct a preconstruction nesting bird survey no sooner than 1–4 weeks prior to tree removal activities and shall verify whether migratory birds are nesting in the site. If nesting activity is detected, the following measures shall be implemented:
 - a. The project shall be modified via the use of protective buffers, delaying construction activities, or other methods designated by the qualified biologist to avoid direct take of identified nests, eggs, and/or young protected under the Migratory Bird Treaty Act and/or California Fish and Game Code.
 - b. The qualified biologist shall monitor the nests within the vicinity of project-related disturbances and determine if construction activities are causing behavioral changes or affecting nesting activities. Monitoring results shall then be utilized to develop an appropriate buffer around the next site to minimize disturbance. Construction activities within the buffer zone shall be prohibited until the young have fledged the nest and achieved independence.
 - c. The qualified biologist shall document all active nests and submit a letter report to the County documenting project compliance with the Migratory Bird Treaty Act, California Fish and Game Code, and applicable project mitigation measures within 14 days of survey completion.
- **BIO-3.** Roosting Bats. 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.
- **ENG-1. Prior to issuance of building permits**, the applicant shall provide to the Department of Planning and Building for review and approval, an Energy Conservation Plan with a package of measures that, when implemented, would reduce or offset the project's energy demand to within 20% of the demand associated with a generic commercial building of the same size. The Energy Conservation Plan shall include the following:
 - a. A detailed inventory of energy demand prepared by a Certified Energy Analyst. The inventory shall include an estimate of total energy demand from all sources associated with all proposed cannabis cultivation activities including, but not limited to, lighting, odor management, processing, manufacturing and climate control equipment. The quantification of demand associated with electricity shall be expressed in total kilowatt hours (kWh) per year; demand associated with natural gas shall be converted to kWh per year.
 - b. A program for providing a reduction or offset of all energy demand that is 20% or more than a generic commercial building of the same size. Such a program (or programs) may include, but is not limited to, the following:

PLN-2039

04/2019

Initial Study – Environmental Checklist

- i. Evidence that the project will permanently source project energy demands from renewable energy sources (i.e. solar, wind, hydro). This can include purchasing the project's energy demand from a clean energy source by enrolling PG&E's Solar Choice program or Regional Renewable Choice program or other comparable public or private program.
- ii. Evidence documenting the permanent retrofit or elimination of equipment, buildings, facilities, processes, or other energy saving strategies to provide a net reduction in electricity demand and/or GHG emissions. Such measures may include, but is not limited to, the following:
 - 10. Participating in an annual energy audit.
 - 11. Upgrading and maintaining efficient heating/ cooling/ dehumidification systems.
 - 12. Implement energy efficient lighting, specifically light-emitting diode (LED) over high-intensity discharge (HID) or high-pressure sodium (HPS) lighting.
 - 13. Implementing automated lighting systems.
 - 14. Utilizing natural light when possible.
 - 15. Utilizing an efficient circulation system.
 - 16. Ensuring that energy use is below or in-line with industry benchmarks.
 - 17. Implementing phase-out plans for the replacement of inefficient equipment.
 - 18. Adopting all or some elements of CalGreen Tier 1 and 2 measures to increase energy efficiency in greenhouses.
- iii. Construction of a qualified renewable energy source such as wind, solar photovoltaics, biomass, etc., as part of the project. [Note: Inclusion of a renewable energy source shall also be included in the project description and may be subject to environmental review.]
- iv. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of the project energy demand that is 20% or more above a generic commercial building of the same size.
- **ENG-2. Prior to issuance of building permits**, the applicant shall provide to the Department of Planning and Building for review and approval, a program for reducing or offsetting project-related greenhouse gas emissions below the 1,150 MTCO₂e Bright Line threshold. Such a program (or programs) may include, but is not limited to, the following:
 - a. Purchase of greenhouse gas offset credits from any of the following recognized and reputable voluntary carbon registries:
 - i. American Carbon Registry;
 - ii. Climate Action Reserve;
 - iii. Verified Carbon Standard.
 - iv. Offsets purchased from any other source are subject to verification and approval by the Department of Planning and Building.
 - b. Installation of battery storage to offset nighttime energy use. Batteries may only be charged during daylight hours with a renewable energy source and shall be used as the sole energy supply during non-daylight hours.
 - c. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of project GHG emissions below the 1,150 Bright Line Threshold.

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

DEVELOPER'S STATEMENT & MITIGATION MONITORING PROGRAM FOR PEGASO, INC. CONDITIONAL USE PERMIT (DRC2018-00177) ED19-107

The applicant agrees 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.

Per Public Resources Code Section 21081.6 the following measures also constitute the mitigation monitoring and/or reporting program that will reduce potentially significant impacts to less than significant levels. These measures will become conditions of approval (COAs) should the project be approved. The Lead Agency (County) or other Responsible Agencies, as specified in the following measures, is responsible to verify compliance with these COAs.

Note: The items contained in the boxes labeled "Monitoring" describe the County procedures to be used to ensure compliance with the mitigation measures.

AESTHETICS (AES)

- AES-1.Nighttime lighting. Prior to issuance of construction permits, the applicant shall submit a light pollution prevention plan (LPPP) to the County Planning Department for approval that incorporates the following measures to reduce impacts related to night lighting:
 - a. Prevent all interior lighting from being detected outside the facilities between the period of 1 hour before dusk and 1 hour after dawn;
 - All facilities employing artificial lighting techniques shall include shielding and/or blackout tarps that are engaged between the period of 1 hour before dusk and 1 hour after dawn and prevent any and all light from escaping;
 - c. Any exterior path lighting shall conform to LUO Section 22.10.060, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site. Exterior path lighting shall be "warm-white" or filtered (correlated color temperature of < 3,000 Kelvin; scotopic/photopic ratio of < 1.2) to minimize blue emissions; and
 - d. Any exterior lighting used for security purposes shall be motion activated, be located and designed to be motion activated, and be directed downward and to the interior of the site to avoid the light source from being visible off-site, and shall be of the lowest-lumen necessary to address security issues.

Monitoring: Required at time of application for construction permits. Compliance will be verified by the County Department of Planning and Building.

AIR QUALITY (AQ)

- AQ-1. Fugitive Dust Emissions. The following measures shall be implemented to minimize construction-generated emissions. These measures are based on SLOAPCD standard mitigation measures and would help to ensure compliance with the SLOAPCD's 20% opacity limit (SLOAPCD Rule 401) and nuisance rule (SLOAPCD Rule 402). These measures shall be shown on grading and building plans:
 - a. Construction of the proposed project shall use low-VOC content paints not exceeding 50 grams per liter.
 - b. To the extent locally available, prefinished building materials or materials that do not require the application of architectural coatings shall be used.
 - c. Reduce the amount of the disturbed area where possible.
 - d. Use water trucks, APCD approved dust suppressants (see Section 4.3 in the CEQA Air Quality Handbook), or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the District's limit of 20% opacity for greater than 3 minutes in any 60-minute period. Increased watering frequency would be required whenever wind speeds exceed 15 mph. Reclaimed (non-potable) water should be used whenever possible. Please note that since water use is a concern due to drought conditions, the contractor or builder shall consider the use of an APCD-approved dust suppressant where feasible to reduce the amount of water used for dust control. For a list of suppressants, see Section 4.3 of the CEQA Air Quality Handbook.
 - e. All dirt stock-pile areas should be sprayed daily as needed.
 - f. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil disturbing activities;
 - g. Exposed ground areas that are planned to be reworked at dates greater than one month after initial grading should be sown with a fast germinating, noninvasive grass seed and watered until vegetation is established.
 - h. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the SLOAPCD.
 - i. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used.
 - j. Vehicle speed for all construction vehicles shall not exceed 15 mph on any unpaved surface at the construction site.
 - k. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least two feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with CVC Section 23114.

PEGASO CUP (DRC2018-00177) ED19-107 Developer's Statement Page 3 of 7

- Install wheel washers at the construction site entrance, wash off the tires or tracks of all trucks and equipment leaving the site, or implement other SLOAPCD-approved methods sufficient to minimize the track-out of soil onto paved roadways.
- m. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible.
- n. The burning of vegetative material shall be prohibited. Effective February 25, 2000, the APCD prohibited developmental burning of vegetative material within San Luis Obispo County. If you have any questions regarding these requirements, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.
- o. The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below 20% opacity, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the SLOAPCD Compliance Division prior to the start of any grading, earthwork or demolition.
- p. When applicable, portable equipment, 50 horsepower (hp) or greater, used during construction activities shall be registered with the California statewide portable equipment registration program (issued by the California Air Resources Board) or be permitted by the APCD. Such equipment may include: power screens, conveyors, internal combustion engines, crushers, portable generators, tub grinders, trammel screens, and portable plants (e.g, aggregate plant, asphalt plant, concrete plant). For more information, contact the SLOAPCD Engineering and Compliance Division at (805) 781-5912.
- AQ-2. ROG, NO_x, DPM Emissions. The following measures based on the SLOAPCD standard mitigation measures for construction equipment for reducing nitrogen oxides (NOx), reactive organic gases (ROG), and diesel particulate matter (DPM) emissions from construction equipment shall be implemented to reduce expose of sensitive receptors to substantial pollutant concentrations. These measures shall be shown on grading and building plans:
 - a. Implement Mitigation Measure AQ-1, as identified above.
 - b. On-road diesel vehicles shall comply with Section 2485 of Title 13 of the California Code of Regulations. This regulation limits idling from diesel-fueled commercial motor vehicles with gross vehicular weight ratings of more than 10,000 pounds and licensed for operation on highways. It applies to California and non-California based vehicles. In general, the regulation specifies that drivers of said vehicles:
 - c. Shall not idle the vehicle's primary diesel engine for greater than 5 minutes at any location, except as noted in Subsection (d) of the regulation; and,
 - d. Shall not operate a diesel-fueled auxiliary power system to power a heater, air conditioner, or any ancillary equipment on that vehicle during sleeping or resting in a sleeper berth for greater than 5.0 minutes at any location when

within 1,000 feet of a restricted area, except as noted in Subsection (d) of the regulation.

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

Monitoring: Required at time of application for construction permits. Compliance will be verified by the County Department of Planning and Building and San Luis Obispo County Air Pollution Control District.

BIOLOGICAL RESOURCES (BIO)

BIO-1. Particulate Tarplant. Prior to ground disturbance or establishment of the use, the applicant shall retain a County-gualified biologist to mitigation for permanent impacts to paniculate tarplant, a California Rare Plant Rank 4.2 species. The biologist shall mitigate impacts to particulate tarplant at a 1:1 ratio (preserved/created habitat:impacted habitat). The goal of this mitigation measure is to ensure paniculate tarplant persists outside the project footprint, within the study area, in an area at least as large as the pre-project condition of 0.18 acre. Habitat creation shall be accomplished by collecting seed from on-site tarplants to be impacted by the project and dispersing the seeds within the pre-determined mitigation site east of the project. Within 60 days after all site disturbance in the area of existing paniculate tarplant has occurred, the biologist shall hand-broadcast paniculate tarplant seed within the mitigation area. The mitigation area shall be mapped, and a status report shall be submitted to the County within 30 days of the hand broadcast. The on-site paniculate tarplant patch shall be surveyed by the biologist in the fall after broadcasting, and all paniculate tarplants in the study area shall be mapped. If the target patch size is met. the mitigation shall be deemed complete and a completion report shall be provided to the County. If the target patch size is not met, the project biologist shall recommend remedial measures in a status report to the County. Remedial measures shall be in place until the biologist determines the target patch size has been achieved and a completion report is provided to the County. A status report shall be provided to the

PEGASO CUP (DRC2018-00177) ED19-107 Developer's Statement Page 5 of 7

County each year prior to renewal of business license, until a completion report is provided.

Monitoring: Prior to the onset of construction activities, seeds shall be collected from plants to be impacted. After site disturbance, the seeds shall be broadcast into the mitigation area. Status reports shall be provided to the County. Compliance will be verified by the County Department of Planning and Building prior to and after construction.

- **BIO-2.** Nesting Birds and Raptors. Site preparation, ground disturbance, and construction activities including any tree trimming and vegetation removal shall be conducted outside of the migratory bird nesting season (February 1 through August 31). If such activities cannot be avoided during this period, a County-approved qualified biologist shall conduct a preconstruction nesting bird survey no sooner than 1–4 weeks prior to tree removal activities and shall verify whether migratory birds are nesting in the site. If nesting activity is detected, the following measures shall be implemented:
 - a. The project shall be modified via the use of protective buffers, delaying construction activities, or other methods designated by the qualified biologist to avoid direct take of identified nests, eggs, and/or young protected under the Migratory Bird Treaty Act and/or California Fish and Game Code.
 - b. The qualified biologist shall monitor the nests within the vicinity of projectrelated disturbances and determine if construction activities are causing behavioral changes or affecting nesting activities. Monitoring results shall then be utilized to develop an appropriate buffer around the next site to minimize disturbance. Construction activities within the buffer zone shall be prohibited until the young have fledged the nest and achieved independence.
 - c. The qualified biologist shall document all active nests and submit a letter report to the County documenting project compliance with the Migratory Bird Treaty Act, California Fish and Game Code, and applicable project mitigation measures within 14 days of survey completion.
- **BIO-3.** Roosting Bats. 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 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.

Monitoring: Required at time of application for construction permits and during construction. Compliance will be verified by the County Department of Planning and Building.

PEGASO CUP (DRC2018-00177) ED19-107 Developer's Statement Page 6 of 7

(a) (a)

ENERGY/GREENHOUSE GAS EMISSIONS (ENG)

- **ENG-1. Prior to issuance of building permits**, the applicant shall provide to the Department of Planning and Building for review and approval, an Energy Conservation Plan with a package of measures that, when implemented, would reduce or offset the project's energy demand to within 20% of the demand associated with a generic commercial building of the same size. The Energy Conservation Plan shall include the following:
 - a. A detailed inventory of energy demand prepared by a Certified Energy Analyst. The inventory shall include an estimate of total energy demand from all sources associated with all proposed cannabis cultivation activities including, but not limited to, lighting, odor management, processing, manufacturing and climate control equipment. The quantification of demand associated with electricity shall be expressed in total kilowatt hours (kWh) per year; demand associated with natural gas shall be converted to kWh per year.
 - b. A program for providing a reduction or offset of all energy demand that is 20% or more than a generic commercial building of the same size. Such a program (or programs) may include, but is not limited to, the following:
 - i. Evidence that the project will permanently source project energy demands from renewable energy sources (i.e. solar, wind, hydro). This can include purchasing the project's energy demand from a clean energy source by enrolling PG&E's Solar Choice program or Regional Renewable Choice program or other comparable public or private program.
 - ii. Evidence documenting the permanent retrofit or elimination of equipment, buildings, facilities, processes, or other energy saving strategies to provide a net reduction in electricity demand and/or GHG emissions. Such measures may include, but is not limited to, the following:
 - 1. Participating in an annual energy audit.
 - Upgrading and maintaining efficient heating/ cooling/ dehumidification systems.
 - Implement energy efficient lighting, specifically light-emitting diode (LED) over high-intensity discharge (HID) or highpressure 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.
 - 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:

PEGASO CUP (DRC2018-00177) ED19-107 Developer's Statement Page 7 of 7

Inclusion of a renewable energy source shall also be included in the project description and may be subject to environmental review.]

- iv. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of the project energy demand that is 20% or more above a generic commercial building of the same size.
- **ENG-2.** Prior to issuance of building permits, the applicant shall provide to the Department of Planning and Building for review and approval, a program for reducing or offsetting project-related greenhouse gas emissions below the 1,150 MTCO₂e Bright Line threshold. Such a program (or programs) may include, but is not limited to, the following:
 - a. Purchase of greenhouse gas offset credits from any of the following recognized and reputable voluntary carbon registries:
 - i. American Carbon Registry;
 - ii. Climate Action Reserve;
 - iii. Verified Carbon Standard.
 - iv. Offsets purchased from any other source are subject to verification and approval by the Department of Planning and Building.
 - b. Installation of battery storage to offset nighttime energy use. Batteries may only be charged during daylight hours with a renewable energy source and shall be used as the sole energy supply during non-daylight hours.
 - c. Any combination of the above or other qualifying strategies or programs that would achieve a reduction or offset of project GHG emissions below the 1,150 Bright Line Threshold.
- **ENG-3.** At time of quarterly monitoring inspection, the applicant shall provide to the Department of Planning and Building for review, a current energy use statement from the service provider (e.g. PG&E) that documents energy use to date for the year. The applicant shall demonstrate continued compliance with ENG-1 and ENG-2 (e.g. providing a current PG&E statement or contract showing continuous enrollment in the Solar Choice program or Regional Renewable Choice program).

Monitoring: Required at the time of application for construction permits. Implementation required prior to building permit issuance. Compliance will be verified by the County Department of Planning and Building.

The applicant understands that any changes made to the project description subsequent to this environmental determination must be reviewed by the Environmental Coordinator and may require a new environmental determination for the project. By signing this agreement, the owner(s) agrees to and accepts the incorporation of the above measures into the proposed project description.

Signature of Applicant

Name (Print)