

POZO MANAGEMENT GROUP, LLC
SUPPLEMENTAL DEVELOPMENT STATEMENT
CANNABIS CONDITIONAL USE PERMIT
880 PARKHILL RD., SANTA MARGARITA, CA 93453
APN (071-201-042)

PROJECT DESCRIPTION (August 2019)

Parcel Size:	59.13 Acres
APN:	071-201-042
Address:	880 Parkhill Rd., Santa Margarita, CA 93453
Land Use Designation:	Agriculture
Williamson Act:	No
Water:	On-Site Well
PRCWB:	No
Existing Uses:	Cannabis Cultivation, Single Family Dwelling
Access:	Gated Entrance off Park Hill Road

The subject property is a 59.13 acre parcel located at 880 Parkhill Road in Santa Margarita (APN 071-201-042), approximately 0.1 miles North of Parkhill Rd, East of the City of San Luis Obispo in the North County Las Pilitas Sub Planning Area, zoned Agriculture. Existing uses on the site include a single-family residence, orchard, accessory structures, and cannabis cultivation operating since 2016. Adjacent properties consist of large parcels with single-family residences and undeveloped parcels.

Proposed Project - DRC2019-00129

A request by Pozo Management Group for a Conditional Use Permit to authorize the continued and expanded cultivation of cannabis, totaling 130,000 SF or 2.98 acres outdoor cultivation (130,000 SF of canopy), indoor cultivation within two greenhouses totaling 25,200 SF (22,000 SF of canopy), and nursery propagation within three greenhouses. The project will occur in phases. Phase 1: Upon approval of the CUP, the existing non-conforming cultivation site will commence conforming site and proposed improvements consistent with approved CUP and Conditions of Approval, starting with; expanded outdoor cultivation, fencing, security, and other conditions necessary to operate only the outdoor cultivation. Phase 1 may also include one or two of the greenhouse flowering units, depending on available funding. Once funds are accrued, the remaining greenhouses will be added under subsequent phasing. Phase 2: The processing and manufacturing building would likely be in Phase 2 depending on available funding, or, may be built concurrently

with Phase 1 at the discretion of the applicant. The property is registered via CCM2016-00277. The proposed project has been designed in full compliance with LUO Section 4, Chapter 22.40 – Cannabis Activities as approved by the Board of Supervisors on November 27, 2017. Supporting cultivation operations will include drying, curing, manufacturing and preparation of product for off-site testing and entry into the commercial marketplace within a new 6,000 SF building. A portion of this building will be dedicated to the manufacturing of products grown only onsite (500 SF). Four portable seatrain containers (each 320 SF) will be utilized for storage (including pesticides/fertilizers). The proposed expanded cultivation areas will preserve the existing oak trees and maintain the 50' setback from the top of the drainage banks on the property. The trees around the perimeter of the outdoor grow area will be preserved, and the grow area will be setback from the tree canopies. An Oak Tree Health Assessment was prepared by Althouse & Meade, Inc., and the results are included on Page 21. The total area of disturbance is 5.2 acres with approximately 6,795 CY cut / 6,795 CY fill.

Project Scope Summary

Item #	Cannabis Activity	Proposed Facility			Square Feet (gross)	Square Feet (Canopy)	Acres (gross)	Acres (Canopy)	Phase
		Existing Structure?	New Structure?	Proposed Facility					
A	Outdoor Cultivation ¹	n/a	n/a	Outdoor Area within Hoop houses	130,000	130,000	2.98	2.98	1
B	Indoor Cultivation ² A	No	Yes	New Greenhouse (84' x 150')	12,600	11,000	0.29	0.25	1 or 2
C	Indoor Cultivation ² B	No	Yes	New Greenhouse (84' x 150')	12,600	11,000	0.29	0.25	1 or 2
D	Indoor Nursery A	No	Yes	New Greenhouse (94' x 120')	11,280	11,280	0.26	0.26	3
E	Indoor Nursery B	No	Yes	New Greenhouse (100' x 210')	21,000	21,000	0.48	0.48	3
F	Indoor Nursery C	No	Yes	New Greenhouse (90' x 170')	15,300	15,300	0.35	0.35	3
G	Processing ³ (includes office space) Manufacturing	No	Yes	New Building, Steel (60' x 100')	5,500 500	n/a	0.14	n/a	2
H	Parking Area	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1
I	Access ways (internal)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1
J	Water Storage tanks (70,000 & 18,000 gallon)	No	Yes	n/a		n/a	0	n/a	1

K	Composting Area	n/a	n/a	Dimensions 50' x 50'	2,500	n/a	0.06	n/a	1
L	Waste/Recycling Area	n/a	n/a	Dumpster 6' x 4'	24	n/a	0	n/a	1
M	Storage Area ⁴	No	Yes	4 seatrains (8' x 40' each)	1,280	n/a	0.03	n/a	1
N	Water well / pumps	Yes	Yes*	n/a	4	n/a	0	n/a	1
O	Transformer	n/a	n/a	n/a	4	n/a	0	n/a	1
P	Leach Field	n/a	n/a	n/a	1250	n/a	0.03	n/a	1
Q	Solar System	n/a	n/a	n/a	4500	n/a	0.10	n/a	3
Total					218,342.00	199,580.00	5.01	4.57	

* See Water Source Section, Page 15

Outdoor Cultivation

The outdoor cultivation area will expand the CCM Registered 30,000 sq. ft. grow area to a total of 130,000 sq. ft. (2.98 acres) and 130,000 sq. ft. of canopy. There are three proposed grow areas that will be under hoop house structures, at 30,000 SF, 70,000 SF, and 30,000 SF. The outdoor cultivation is anticipated to yield 1 crop per year with a fall harvest, in September or October. The outdoor cultivation areas will be surrounded by 6' tall deer fencing. The majority of the outdoor cultivation areas are situated in between tree groves with hilly topography, minimizing the offsite visibility (Figure 1). One area of canopy is located within view of Parkhill Road (Figure 2) but will be screened from view by a 6' wood fence placed along the front property line (Figure 3). The expanded cultivation areas will be planted directly into the ground with hoop houses over them, avoiding the scattered oak trees throughout the area. No portion of the cultivation areas will be under any tree canopies. Additionally, the 50'+ setback will be maintained from the top of bank of the existing drainage that cuts through the proposed expanded cultivation areas.

Indoor Cultivation

Indoor cultivation will include the construction of two greenhouses, each totaling 12,600 sq. ft. (84' x 150'), for a total of 25,200 sq. ft. with 22,000 sq. ft. canopy. Mixed-lighting will be utilized, with the plants in pots within the greenhouse structures. The indoor cultivation is anticipated to yield 3 crops per year, in April, August, and December. The exact timing of the indoor harvest depends on the planting cycle as the indoor environment is not seasonally dependent, therefore the harvest months may shift year to year. To mitigate odor issues, a fan distributed mister system will be utilized that includes a neutralizing spray to eliminate offsite nuisance odor during flowering (see Page 9 for more detail). The greenhouses are

proposed in a flat portion of the property that was previously tilled for agricultural use (Figure 4).

Nursery

Nursery (immature/non-flowering plant and mother plant) space will be located within three greenhouse structures totaling 47,580 sq. ft. with 47,580 sq. ft. canopy. Nursery plants will be propagated for onsite use and for offsite sale.

Figure 1: Portion of Outdoor Cultivation Site Blocked from Parkhill Road



Figure 2: Portion of Outdoor Cultivation
(to be screened by 6' tall fence along Parkhill Road; Figure 3)

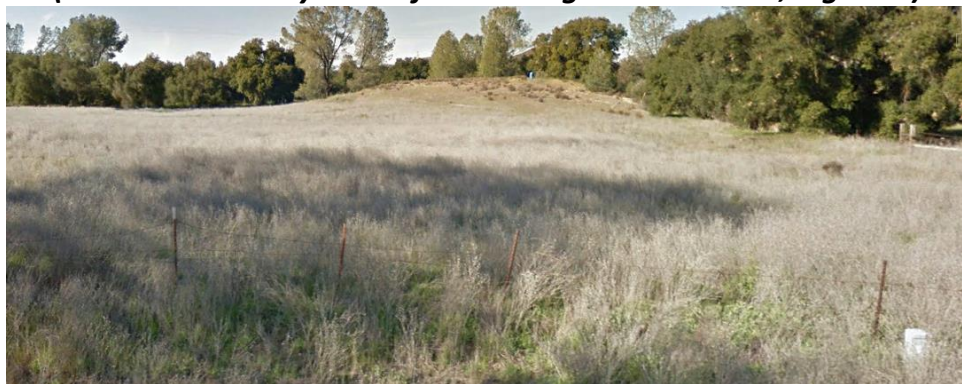


Figure 3: Representative Wood Screening Fencing

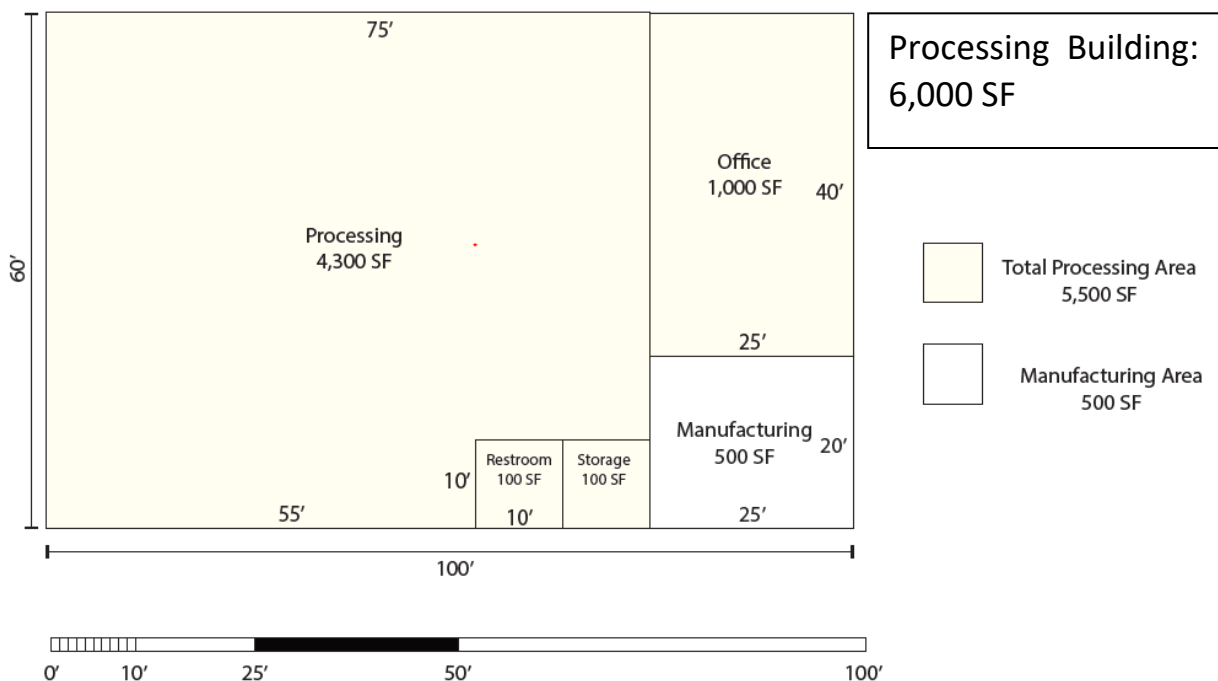


Figure 4: Greenhouse Location *(to be screened by 6' fence along Parkhill Road)*



Processing, Manufacturing and Product Transport

A building will be constructed for processing (trimming, drying, and curing) and manufacturing totaling 6,000 SF. This building will also include office space. 500 SF of this building will be dedicated to manufacturing products grown only onsite and will be processed into oil through a closed loop ethanol or CO₂ system. The proposed seatrain containers will be used solely for equipment and pesticide/fertilizer storage. Once dried, product will be manufactured into oil or be transported off-site by one of the three business partners for testing and entry into the commercial marketplace. Product transport will occur for 2-3 days after each harvest or after the manufacturing process. A sample set of plans for the processing building is shown below.



Cannabis has been legally cultivated outdoors on this property since 2016 without a complaint. Odor of the cultivation areas is naturally mitigated by the topography and vegetation. No neighborhood compatibility issues are anticipated as no sensitive uses are located in the vicinity of the project site.

The property is surrounded by land within the Agriculture zone with large parcels containing single family residences and the properties under various agricultural or undeveloped uses.

The proposed site is **NOT** within 1,000 linear feet of any sensitive uses (refer to the buffer map included below). The proposed site is more than 390 linear feet from any adjacent off-site residence. The proposed site is secluded and well-hidden. The outdoor Cannabis Cultivation sites have been specifically located to be out of public and private views with the intent of minimizing potential attention from San Luis Obispo County citizens. Very little recognition of the site is expected.

Figure 6: Buffer Map



Air Quality

The project site is accessed from Parkhill Road, a paved County-maintained roadway. The cannabis cultivation is accessed by an existing gated entry driveway separate from that which serves the existing residence.

Employee Training and Safety Plan

See the separate Safety Policies and Training document attached.

Traffic

The proposed operation will be owner-operated, with 5-6 full time staff. Two of these full-time staff are business partners. The approximate hours of operation are

6am-8pm seven days/week; the hours will fluctuate with the weather, in order to avoid the midday heat. In addition, staff hours will be staggered throughout the day, with varying start and end times per employee. During harvest (three times per year for the indoor cultivation and once per year for the outdoor cultivation) 6-7 additional employees will be onsite for approximately 2-3 weeks, with hours of operation from 6am-10pm seven days/week; again, the hours will fluctuate with the weather, in order to avoid the midday heat. Portable restrooms are onsite and several designated parking areas are available to accommodate all regular and seasonal staff. The owner-operators live onsite. The additional staff, and those to be employed during harvest, will be encouraged to carpool. The only deliveries made to the site will be soil, approximately four times a year. All pesticides and fertilizers to be used will be picked up and transported by the owner-operators. This project is not anticipated to result in increased trips on Parkhill Road.

The project is expected to generate 44.49 average daily trips (ADT) with 4.4 afternoon peak hour trips (PHT) based on the following elements of the project:

- 2.98 acres of outdoor cultivation (5.96 ADT)
- 21,600 square feet greenhouse/indoor cultivation (5.83 ADT)
- 36,300 square feet greenhouse/nursery (9.80 ADT)
- 6,000 square feet manufacturing/processing (22.9 ADT)

These figures are based on the following sources and numbers:

Use	Trip Rate Source	ADT
Cultivation, Indoor / Greenhouses	SB Co/Carpinteria Greenhouse EIR (ADT); SLO County (PHT)	0.27
Seasonal Manufacturing/Drying/Curing	ITE 140 Manufacturing	3.82
Cultivation, Outdoor	Same as Ag Uses, SB Co Cannabis EIR, SANDAG (Ag)	2.00
Greenhouse/Nursery	SLO County Public Works	3.70

Source: Orosz Engineering, Inc.

Screening and Fencing Plan

The site topography and location of the proposed outdoor cannabis cultivation areas eliminate the majority of the canopy from offsite visibility. Fencing with locked entry gates will encompass each of the outdoor grow areas (6' deer fencing). There is existing 3-strand barbed wire fencing along the property line. An additional 6' wood fence will be added along the front property line for added privacy and visual screening of the lower outdoor grow and greenhouse area from Parkhill Road. In addition, toyon trees and bushes (i.e. rosemary) will be planted along the front of the property to provide a vegetative screening from Parkhill Road.

Security

- **Lighting**

- Security cameras equipped with motion detection lighting, to be cast downwards, will be placed throughout the project site for monitoring. They will be placed on the greenhouse and processing building above the doors, and on the fence post around the outdoor grow areas (6' high). The interior of the greenhouse and processing buildings will have lights. The processing building will be a sealed building precluding any offsite visibility or glare of the indoor lights. The greenhouses will be equipped with black out curtains to also minimize any nighttime visibility.

- **Fences / Gates / Locks**

- ***Property Entrance***

- 6' wood fence to be placed along front property line, with new vegetation to be planted for additional screening
- The site is secured by electronic entrance gates, equipped with a security camera.
- Gated entries shall remain closed at all times.
- Gated entries shall remain unlocked only during business hours.

- ***Indoor Cultivation***

- Each Greenhouse will have lockable doors. All exterior exit doors will remain unlocked during business operating hours.

- ***Outdoor Cultivation***

- The outdoor grow areas will be fenced in with 6' deer fencing with lockable gates (example image below).



- **Procedures**

- ***Indoor Cultivation***

- The Greenhouses will be locked at all times when Operators are offsite.
- The public is restricted from access to the site unless escorted

- by an Operator.
 - A record of all visitors will be maintained as a resource for authorities.
 - Surveillance recording devices will be utilized to record activity at each point of entry to the site and the buildings.
 - Cash will NOT be stored onsite.
 - All plants will be part of the "Metrc" track and trace program.
- ***Outdoor Cultivation***
 - The public is restricted from access to the site.
 - All visitors will be scheduled and escorted by an Operator.
 - A record of all visitors will be maintained as a resource for authorities.
 - Surveillance recording devices will be utilized to record activity at each point of entry to the site.
 - Cash will NOT be stored onsite.
 - All plants will be part of the "Metrc" track and trace program.
- **Operators**
 - ***Indoor/Outdoor Cultivation***
 - All Operators will be vetted against reasonable standards as established by the Bureau of Cannabis Control (California)
 - All Operators will be required to sign in when arriving on site and sign out upon departure.
 - All Operators will be trained in the above procedures.
 - All Operators will be issued identification cards verifying their ability to access the facility. Identification cards are to be carried at all times while on the project site and presented on demand to authorities.

Odor Management Plan

Cannabis has been cultivated on the site for several years with no nuisance odor complaints. Odor of the cultivation areas is naturally mitigated by the existing vegetation around the cultivation sites and distance to the nearest residence of over 390 feet. No proposed operations are anticipated to cause any nuisance odor issues. All setbacks are met with the project as proposed.

➤ **Site Controls**

- The greenhouses will be equipped with carbon filters and a mister system that will include a neutralizing agent to mitigate any odor produced.
- The processing building will be equipped with carbon scrubbers and

mister system with a neutralizing spray.

- The outdoor cultivation and greenhouse sites have been located a significant distance from area residences and meet or are in excess of required setbacks.
- The prevailing wind flows across the property in a northern direction thus blowing any potential odors into a non-occupied agricultural area.

➤ **Soil Controls**

- All soils that are being recycled in a composting state will be appropriately covered and sealed to prevent any potential odor issues.

➤ **Plant Waste**

- Plant material to be recycled will be placed in sealable containers until at which time the material is ready to be reused.

➤ **Bathroom Facilities**

- Portable restroom facilities will be maintained on a scheduled basis by a professional service company utilizing the proper standards based on usage. This will prevent potential odors that would otherwise be associated with an inadequate restroom facility. There will be 1 ADA employee restroom within the processing building along with 10-12 portable restrooms throughout the site positioned at locations along the access road.

➤ **Report Tracking**

- Complaints received regarding odor shall be documented, investigated, tracked, and responded to using best management practices as applicable.
- Actions taken on each report is to be documented and retained in the operation records.

Signage

The goal of the signage plan for this Cannabis Activity is to provide clear guidance to Operators, invited visitors, Law Enforcement, Cal Fire, and Emergency services at all times, while attracting the attention of the general public. In order to accomplish these goals, the following signage will be implemented:

- A sign shall be installed at the point of entry from the public road (Parkhill Road) identifying the address in accordance with CALFire standards and

means of access to the Greenhouse site located at 880 Parkhill Road.

- Upon initial entry to the property, a NO TRESPASSING sign will be installed with language in accordance with applicable County and State laws and codes.
- Once the property is accessed there will be an "Arrow Sign" with the word "Greenhouses" below it
- The above-described "Arrow Sign" will be placed at each change in direction in the path of travel to the main point of entry to the secured site. Directional signage inside the secured site will provide further direction once access is granted.
- At the main point of entry, County required notices for land use shall be posted as required by the Cannabis Ordinance.
- Upon arrival at the Greenhouse site, "Parking" signs will identify the general parking location.
- NO PARKING and EMERGENCY ACCESS signage will be installed at applicable locations to ensure the site remains accessible at all times.
- Handicap parking space(s) will be identified with code compliant signage and markings.
- Handicap path of travel from the parking area to the point of entry to the Greenhouses will be identified with code compliant signage and markings, as applicable.
- NO TRESPASSING and video surveillance warning signage shall be installed at the main point of entry to the site.
- Safety signage, in compliance with OSHA standards, is to be installed at the interior/ exterior of the Greenhouses, as applicable.
- Safety signage, in compliance with OSHA standards, is to be installed on all material storage containers, as applicable.

Parking

A designated parking area adjacent to the greenhouses will provide ample parking space for the proposed operations, with a total of 34 spaces including one ADA-compliant space. The existing private access road provides adequate service to the site from Parkhill Road. An all-weather road will be provided onsite to provide access to the greenhouses and two of the three outdoor grow areas (the third grow area has existing access from the residence's road. Parking will be provided for Operators and occasional invited visitors. The parking area shall be clearly identified with signage.

- Spaces

- The site provides sufficient usable area to meet the parking needs of all Operators, visitors and loading activities entirely on the site of the use.
- Based on the total gross floor area of the Greenhouses and the requirements of Chapter 22.18 of the San Luis Obispo Land Use Ordinance one ADA-accessible space will be provided. This space shall be marked by signage and surface markings in accordance with the California Building Code.
- Surface
 - The access road to the parking area will be constructed of a compacted aggregate base providing an all-weather surface per County of San Luis Obispo standards. There is 1 ADA-accessible parking space, material types shall be constructed of asphalt to the dimensions required by the California Building Code. The other parking spaces provided onsite will either be gravel or dirt based.
- Path of Travel
 - A clear path of travel is to be provided between the building entrance and the parking area. The path of travel is to be constructed of concrete and shall comply with the dimensions and the allowable slope percentages required by the California Building Code. The path of travel shall be clearly marked by signage and surface markings, as specified by applicable building codes.

Pesticide and Fertilizer Usage

Pesticide and fertilizer usage will be conducted according to the County of San Luis Obispo Department of Agriculture by obtaining an Operator Identification Number and complying with all application, reporting, and use requirements. The pesticides and fertilizers will be stored in flame resistant/proof lockers within one seairain container. The following list are the materials to be used on site (Material Safety Data Sheets (MSDS) attached):

- AzaMax Botanical Insecticide, Miticide, and Nematicide (General Hydroponics)
- Bonide Neem Oil Fungicide-Miticide-Insecticide Concentrate (Bonide Products, Inc.)
- Clonex Rooting Hormone Gel – Purple (Growth Technology Ltd.)
- Ferti-Lome Fish Emulsion Plant Food (Voluntary Purchasing Group, Inc.)
- Grandevo Insecticide/ Bio-protectant (Marrone Bio Innovations)
- Grow More 20-20-20 – Soluble Fertilizer (Grow More, Inc.)
- Isopropyl Alcohol 91% (Hydrox Laboratories)

- Lilly Miller Vitamin B1 Plant Starter – Liquid Fertilizer (Lilly Miller Brands)
- Regalia Fungicide (Marrone Bio Innovations)
- Softsoap Antibacterial Liquid Hand Soap (Colgate-Palmolive Company)

Water Management Plan

The property is in the Santa Margarita Water Planning Area, North of Pozo Watershed. Several creeks feed the groundwater recharge area around the water source site. The estimated annual water usage is 1,933,061 gallons (5.94 AFY) or 5,296 gallons per day.

Annual Water Estimates

Use	Rate	Gross Demand (gallons/year)	Gross Demand (AFY)
Outdoor Grow: 2.98 acres	130,000 sf canopy x 0.03 gal/sf/day x 150 days	585,000	1.79
Greenhouse Grow: 21,600 SF	22,000 sf canopy x 0.1 gal/sf/day x 365 days	803,000	2.47
Standalone/Ancillary Nursery: 47,580 SF	47,580 sf canopy x 0.03 gal/sf/day x 365 days	521,001	1.6
Manufacturing: 6,000 SF	6,000 SF x 0.001 gal/sf/day x 360 days	2,160	0.007
Domestic Water Use	6 employees x 10 gal/capita/day	21,900	0.06
	Net Water Demand	1,933,061	5.94
Historical Water Usage			
Cattle Ranch	20 cattle grazing x 300 days/year	90,000	0.28
Turkey Farms	500 birds = 148 L/day x 300	12,521	0.04
	Net Water Demand	102,521	0.32

Recognizing that water conservation is crucial now more than ever, the irrigation system design serving the Cannabis is to be outfitted with the latest technology in irrigation controls and drip systems.

➤ Water Source

- Water for operation shall come from an existing domestic well on site that is about 100 feet from the greenhouse structures and 200 feet

from the outdoor grow location.

- An additional well will be drilled in accordance with the Hydrology Report completed for the project. The location of the well will be guided by the criteria furnished in the Cleath-Harris Geologists, Inc. Hydrology Report dated 04/13/2020 for the project site
- The second well location is to be targeted in areas at the south end of property away from neighboring wells or at the distances prescribed in the Hydrology Report to prevent any significant draw down affect.
- Well water is to be piped from the wellhead to a 2,500-gallon storage tank (to be replaced by 18,000 gallon tank onsite). Each storage tank is to be equipped with a float switch to protect from overfilling. An additional storage tank (70,000 gallon) will be installed for fire suppression systems, equipped with fire hose hookups in case of emergencies.
- Motor controls at the well are to regulate pumping hours to non-peak electrical demand hours with an override switch that is triggered by a secondary float switch located in the tanks to ensure that tanks do not empty.
- The water feed from the well shall be protected by a backflow preventer.
- A main water shut off valve shall be provided and clearly marked.

➤ **Irrigation System**

- The main water feed shall be brought on site to feed a series of manifolds that distributes water across the row crops feeding the drip irrigation system.
- Irrigation valves shall be placed at intervals to adequately zone the system.
- A series of irrigation controllers shall be used to control the amount of water that each zone receives.
- Rows of plants shall be fed by a branch of the drip system. Each plant shall have a drip head appropriately sized for its water demand based on the plant size and type.
- Soil moisture sensors shall be implemented in each zone to prevent overwatering.

➤ **Usage**

- Anticipated water usage based on the square footage of canopy is approximately 5.94 acre-feet per year for both the indoor and outdoor cultivation .099 acre-feet per acre (Table 2 above).

- From year to year, water usage may vary depending on the temperature extremes experienced within each season.

➤ **Inspection**

- The mainline feed from the wellhead shall be inspected routinely for signs of leakage or seepage.
- Irrigation control valves shall be inspected daily for leaks or seepage.
- Rows shall be checked for overwatering daily to determine if any required changes are needed in the programmed controllers.
- The programming of the irrigation controllers shall be checked routinely to ensure proper operation.

Waste Management Plan

The principal goal for waste generated by this Cannabis Activity is to recycle any and all materials that can be recycled. The primary waste material generated is green waste that can be separated, broken down, processed, and reintroduced into other Cannabis operations. The compost area is approximately 50' x 50' as indicated on the site plan adjacent to outdoor grow area #3.

➤ **Green Waste from Cannabis**

- All cannabis waste (clippings, dead plants, roots, etc.) shall be stored in dedicated sealable containers and recycled.
- A different sealable container shall be used for materials to go offsite and recycled.
- Store sealable containers in a secure enclosed location.
- Stored materials shall be removed from the site by a qualified service (Mid State Solid Waste) on a regular basis. At no time should the storage of materials be allowed to stock up and exceed the capacity of its storage enclosure.
- Operators shall each be trained to identify the difference between onsite and offsite recyclable materials. Operators shall also be trained as to the proper handling and storage of the various products used on site.
- Waste from Cannabis will be tracked and traced as required by CDFA's "Metrc" program as administered by the Bureau of Cannabis Control for the State of California.

➤ **Wastewater**

- No wastewater is to be generated by the outdoor Cannabis Cultivation operation.
- Restrooms on site are self-contained chemical portable toilets that are

served by a qualified and licensed maintenance company.

- The restroom for the Processing and Manufacturing Building will utilize a septic system designed to County Planning Standards and located on site in a manner that does not impact or require the removal of any oak trees.

➤ **General Waste and Refuse**

- General waste and debris in the form of paper, cardboard, wood, and plastics shall be collected and sorted accordingly into covered waste and recycling containers (located east of the entrance gate).
- A licensed garbage disposal service shall remove the waste and refuse from the site and dispose of it at the local licensed landfill.
- There is no process used in this Cannabis Activity that results in the creation of the hazardous waste material. However, if any refuse material created by happenstance that is determined to be hazardous, will be treated and disposed of as hazardous waste.

Hazardous Waste Storage Plan

The applicant is committed to the safe and responsible management of hazardous waste. The purpose of this plan is to provide information and guidance to all Operators regarding hazardous waste from manufactured products brought on to the site to support the cultivation.

- First Best Management Practice
 - Chemicals (pesticide, growth fertilizer, gasoline, etc.) are often considered hazardous waste; the first best management practice is to only purchase what is needed each time it is used. The risk associated with hazardous materials will be significantly reduced with proactive scheduling and stock management.
- Identification
 - All material products shall be clearly marked and labeled. Labels shall identify the nature of the materials in accordance with applicable State codes and regulations.
 - Any substances contained within non-labeled containers shall be treated as hazardous substances until material contents can be verified or the contents are properly disposed of at a qualified facility.
- Handling
 - It is the duty of all who handle hazardous products to do so in a manner that is safe, environmentally friendly and complies with all local, state and federal regulations. This includes materials that are not, by statute, hazardous but which, if carelessly

discarded could cause harm to the environment.

- It is important that each Operator becomes familiar with each type of chemical or material they may come in contact with during performance of their respective scope of work. A list of materials is attached, along with their respective Safety Data Sheets (SDS), that may be used in the operation of an outdoor Cannabis Cultivation operation. This list is to be updated as new materials are brought on site.
- Storage
 - All material storage containers shall be centrally stored in a secure well-ventilated enclosed space.
 - The storage enclosure shall have solid floor surface to prevent potential seepage of materials into the soil.
 - An inventory list is to be maintained for all materials placed in the storage container.
 - The container shall be clearly marked on the exterior of the container for easy identification by the Fire Department in the event of an emergency. Standard material identification symbols shall be used in accordance with State codes and regulations.
 - See the separate Spill Management and Response Plan attached.

Energy Use

See the energy demand breakdown attached.

As required by the new energy component, the project will include a Solar System with on site storage and feedback capabilities. The solar panel footprint will not require more than 4,500 sqft (approximately 45'x100'). The location and size of the solar panels have been added to the overall area of disturbance measure. The desired location of the solar installation is shown on the Site Plan, however, equipment can be relocated if necessary to avoid sensitive habitat or other constraints.

Resources Requiring Special Consideration

Parking Modification and Required Findings

The project will require 5-6 full-time staff with seasonal increases of 6-7 for a total of up to 13. The project is designed to accommodate all regular and seasonal staff

with (33) 16' x 8' parking spaces on the property on an existing level dirt area within the agricultural site and can accommodate a handicapped space in this area adjacent to the greenhouses as well. Due to the limited nature of the staff required for the operation, parking standards as outlined in Chapter 22.18, Nursery Specialties are not appropriate for the project. The following findings are provided for use in a request for modification of parking standards of Chapter 22.18, Nursery Specialties.

In accordance with Chapter 22.18.18.020.H, the following three findings support the request to modify the parking standards:

- a. The characteristics of the project, which consists of a cannabis cultivation consisting of outdoor and indoor uses, with seasonal temporary staff, do not necessitate the number of parking spaces, types of design or improvements required by this chapter. The agricultural cultivation staff can be accommodated in the existing level area that will be improved with base material, marked and designated for parking.
- b. The proposed parking area that consists of an aggregate base-improved parking lot with cone designations is adequate to accommodate all parking needs on site generated by the use, as the operation will be staffed by staff cultivating an agricultural product and there are no site constraints as far as space availability for the cultivation use.
- c. No traffic safety problems will result from the proposed modification of the parking standards as there is ample existing parking on the site for the existing cannabis cultivation business, the parking location is located well away from any public right of way, and there is adequate space surrounding the parking area for any turning movement within the fenced area of the project site.

Fencing Modification Request

A fencing modification is requested to allow 6' deer fencing around the three outdoor grow areas. This proposed fencing type is more appropriate for the project site as it matches the agricultural nature of the surrounding area and existing fencing seen onsite and nearby parcels. The grow area will not silhouette against the skyline. Fencing and natural vegetation paired with the hilly topography will provide additional visual screening of the cultivation area. There is no need for solid screening material as the site is not visible from public view and cannabis plants will not be easily visible from offsite. There will be a 6' wood fence with vegetative screening along the front property line.

Additionally, the project includes other security measures that would prevent easy access to the site. The entrance from Parkhill Road will include an electric entrance gate with a security camera. Additional security cameras with motion-detection lighting (cast downwards) are proposed at key areas throughout the site to ensure

no unauthorized access occurs, including at each of the outdoor grow areas and around the perimeter of the greenhouses. The buildings onsite proposed for cannabis use will be equipped with secure commercial-grade, nonresidential door locks. Of the three business partners, one lives onsite.

Cultural Resources

A Phase I Surface Survey was conducted by Heritage Discoveries Inc. The records search and phase I surface survey produced negative results for the presence of cultural resources. It is recommended that no further cultural resource studies are required for this project.

Biological Resources

A biological resources assessment was prepared by Althouse & Meade, Inc. (revised August 2019). The proposed Project would occupy approximately 6.5 acres of the Property when all phases of the Project are complete, including approximately 4.3 acres of annual grassland, 0.6 acre of mixed oak forest habitat, and approximately 1.8 acres of anthropogenic habitat. Two special status plants and eight special status animal species have potential to occur on the Property. The following recommended mitigation measures are designed to reduce the potential effects of the Project to a less than significant level.

In order to offset permanent impacts to paniculate tarplant and California spineflower, the following measures are recommended:

- BR-1.** Where feasible, project components shall be adjusted to avoid and/or minimize impacts to the mapped locations of paniculate tarplant and California spineflower. If permanent impacts to either species cannot be avoided, Measures BR-2 and BR-3 shall be implemented as applicable.
- BR-2.** Mitigation for permanent impacts to paniculate tarplant and California spineflower, both CRPR 4.2 species, shall be preservation and/or creation of tarplant habitat at a 1:1 ratio (preserved/created habitat: impacted habitat). The goal of this mitigation measure is to ensure paniculate tarplant and California spineflower persist outside the Project footprint, within the Property limits, in an area at least as large as the pre-Project condition of, 0.97 acre and 0.04 acre, respectively. Habitat creation shall be accomplished by collecting seed from onsite tarplants to be impacted by the Project and dispersing the seeds within the pre-determined mitigation site (indicated on Figure 5 Biological Resources and Impacts). A completion report shall be submitted to the County after seeds are spread and the final preservation and/or creation areas established.

Special Status Invertebrates

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

Special Status Birds

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

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

In order to reduce potential impacts to nesting special-status birds and other non-game native bird species that may nest on the Property, the following mitigation measure is recommended:

- BR-3.** During the construction and operation phase of the Project, within one week prior to any ground or vegetation disturbance activities, including equipment staging and mowing, if work occurs between February 1 and September 15, nesting bird surveys shall be conducted. Surveys may be phased if appropriate to coincide with scheduled construction activities. If surveys do not locate nesting birds, construction activities may be conducted. If nesting birds are located, no construction activities shall occur within 100 feet of nests. Occupied nests of special status bird species within Project work areas shall be mapped using GPS or survey equipment. Work shall not be allowed within a 300-foot buffer (for non-raptors) or 500-foot buffer (for raptors) while the nest is in use. The buffer zone shall be delineated on the ground with highly visible fencing or rope barriers where it overlaps work areas. The Project biologist conducting the nesting survey shall have the authority to reduce or increase the recommended buffer depending upon site conditions and the species. Occupied nests of special status bird species shall be monitored at least every two weeks through the nesting season to document nest success and check for Project compliance with buffer zones. Once nests are deemed inactive and/or chicks have fledged and are no longer dependent on the nest, work may commence in these areas. A pre-construction survey report shall be submitted to the County immediately upon completion of the survey. The report shall detail appropriate fencing or flagging of the buffer zone and make recommendations on additional monitoring requirements, where applicable. A map of the Project site and nest locations shall be included with the report.

Special Status Reptiles

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

- BR-4.** A focused preconstruction survey for legless lizards and California glossy snake shall be conducted in proposed disturbance areas immediately prior to (within 24 hours of) ground-breaking or vegetation removal activities that would affect potentially suitable habitat, as determined by the project biologist. The preconstruction survey shall be conducted by a qualified biologist to relocate legless lizards and glossy snakes out of harm's way. If ground or vegetation disturbance activities do not commence within 24 hours of the survey, the survey shall be repeated. Surveys may be staggered to allow flexibility with the construction schedule. If the focused survey results are negative no further action shall be required. If legless lizards or glossy snakes are found to be present in the proposed work areas the following steps shall be taken:
1. Legless lizards shall be captured by hand by the project biologist and relocated to an appropriate location well outside the project areas.
 2. California glossy snakes shall be allowed to move from the work area, or if necessary, shall be captured by hand by the project biologist and relocated to an appropriate location well outside the project areas.
 3. Construction monitoring shall be required during all new ground-breaking activities located within legless lizard or glossy snake lizard habitat.
 4. A letter report of the finding of the preconstruction survey and any monitoring shall be submitted to the County within 30 days of completion.
- BR-5.** The nighttime (sunset to sunrise) speed limit on project roadways shall not exceed 15 miles per hour after sunset during project construction and operations. During construction, the nighttime speed limit shall be posted at the site entrance. At least one permanent speed limit sign shall be posted along the facility access road during operations.

Special Status Mammals

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

- BR-6. Prior to removal of any trees over 20 inches dbh, including dead trees, a survey shall be conducted by a qualified biologist to determine if any of the trees proposed for removal harbor sensitive bat species or maternal bat colonies. If a non-maternal roost is found, the qualified biologist, with prior approval from California Department of Fish and Wildlife, will install one-way valves or other appropriate passive relocation method. For each occupied roost removed, one bat box or crevice structure shall be installed in similar habitat and should have similar cavity or crevices properties to those which are removed, including access, ventilation, dimensions, height above ground, and thermal conditions. Maternal bat colonies may not be disturbed during the breeding season and shall be avoided by 50 feet while active.
- BR-7. Existing structures proposed for removal or Project use shall be surveyed for bats prior to dismantling or using to determine if roosting bats are present. If a colony of bats is found roosting in any structure, further surveys shall be conducted sufficient to determine the species present and the type of roost (day, night, maternity, etc.) If the bats are not part of an active maternity colony, passive exclusion measures may be implemented with approval from CDFW. If maternal bat colonies are located in a structure, the structure shall not be dismantled until breeding activity is complete (young have matured). If bats are roosting in a structure on the Property during the daytime but are not part of an active maternity colony, then exclusion measures must include one-way valves that allow bats to get out but are designed so that the bats may not re-enter the structure. For each occupied roost removed, one bat box or crevice structure shall be installed in similar habitat and should have similar cavity or crevices properties to those which are removed, including access, ventilation, dimensions, height above ground, and thermal conditions.
- BR-8. Security and night lighting should be pointed away or shielded from oak woodland habitat and kept to the minimum extent feasible while maintaining the safety and operation of the facility.
- BR-9. A pre-construction survey shall be conducted within thirty days prior to the start of ground or vegetation disturbance work (during project construction only) to identify if badgers are present. The results of the survey shall be sent to the project manager and the County of San Luis Obispo. If the pre-construction survey finds potential badger dens, they shall be inspected to determine whether they are occupied. The survey shall cover the entire impact area, plus a 500-foot buffer, and shall examine both old and new dens. If potential badger dens are too long to completely inspect from the entrance, a fiber optic scope shall be used to examine the den to the end. Inactive dens may be excavated by hand with a shovel to prevent re-use of dens during construction. If badgers are found in dens on the Property between February and July, nursing young may be present. To avoid disturbance and the possibility of direct take of adults and nursing young, and to prevent badgers from becoming trapped in burrows during construction activity, no grading shall occur within 100 feet of active badger dens between February and July. Between July 1st and February 1st all potential badger dens shall be inspected to determine if badgers are present. During the winter badgers do not truly hibernate but are inactive and asleep in their dens for several days at a time. Because they can be torpid during the winter, they are vulnerable to disturbances that may collapse their dens before they rouse and emerge. Therefore, surveys shall be conducted for badger dens throughout the year. Exclusion of badgers from dens may only be done during the non-breeding season by a qualified biologist experienced in den exclusions. Dens must be fully excavated and backfilled after eviction is complete.

Oak Trees

The proposed project may result in the removal of a small number of oak trees. Some tree trimming is also likely. A leach field will be installed; however, the final location has not been selected. Oak trees are adapted to low to moderate precipitation and locating the leach field within 50 feet of the drip line of an oak tree could cause negative impacts to the tree from overwatering. The following measures are recommended to minimize and mitigate for impacts to oak trees on the Property during development and operation of the cannabis cultivation project:

BR-10. Prior to commencement of Project construction activities, tree protection fencing shall be installed along the outer limit of the critical root zone (1.5 times the trunk diameter) of all oak trees within 50 feet of Project activities. The fencing shall be in place for the duration of the construction occurring within 50 feet of the trees. Where approved Project activities are within the critical root zone, fencing shall be temporarily moved to facilitate the work. A biological monitor or arborist shall be present during approved Project

activities within the critical root zone to document impacts to the trees, in order to inform the County of any mitigation obligation.

BR-11. Impacts to the oak canopy or critical root zone should be avoided where practicable. Impacts include pruning, any ground disturbance within the dripline or critical root zone of the tree (whichever distance is greater), placement of leach field component within 50 feet of critical root zones, and trunk damage. Impacts to native oak trees shall be mitigated through one of the following options:

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

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

Jurisdictional Drainages and Wetlands

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

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

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

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

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

Oak Tree Health Assessment

An Oak Tree Health Assessment was prepared by Althouse & Mede, Inc. (April 2019). Of the 104 trees assessed, 6 were dead (rated 0 or 1), 11 were in poor condition (rated 2), 58 were in moderate condition (rated 3 or 4), and 29 were in good condition (rated 5, 6, 7 or 8), the single highest rated tree was given an 8. No trees were recorded with a rating higher than 8 because of structure defects or damage observed during the inventory. Table 2 below provides a breakdown of the number and species of trees assessed on the project site.

TABLE 2. NUMBER AND SPECIES OF TREES ASSESSED

Species	Number
Coast live oak	91
Blue oak	12
Valley x blue oak hybrid	1
Total	104

The oak trees rated as dead or poor condition are proposed for removal (6 trees total). A total of 9 living oak, all in poor condition (rated 3 or below on the 1-10 scale), are proposed for removal. A total combined diameter of trees to be removed is 321 inches. The trees that are proposed for removal are #'s: 24, 25, 26, 64, 65, 66, 67, 73 and 74 (Refer to Tree Plan in Site Plan Set). To mitigate those removed

trees, the approved number of trees per county standards will be planted along the front property line to provide a vegetative screening buffer.