Initial Study – Environmental Checklist

Project Title & No. Wild Coast Farms(Souza) CDP/DP ED19-237 (DRC2018-00215)

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED: The proposed project could have a "Potentially Significant Impact" for environmental factors checked below. Please refer to the attached pages for discussion on mitigation measures or project revisions to either reduce these impacts to less than significant levels or require further study.

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

DETERMINATION:

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

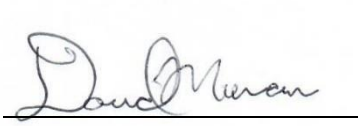
☐ The proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

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

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

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

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

David Moran			December 8, 2020
Prepared by (Print)	Signature		Date
Steve McMasters		Steve McMasters, Principal Environmental Specialist	December 8, 2020
Reviewed by (Print)	Signature		Date

Initial Study – Environmental Checklist

Project Environmental Analysis

The County's environmental review process incorporates all of the requirements for completing the Initial Study as required by the California Environmental Quality Act (CEQA) and the CEQA Guidelines. The Initial Study includes staff's on-site inspection of the project site and surroundings and a detailed review of the information in the file for the project. In addition, available background information is reviewed for each project. Relevant information regarding soil types and characteristics, geologic information, significant vegetation and/or wildlife resources, water availability, wastewater disposal services, existing land uses and surrounding land use categories and other information relevant to the environmental review process are evaluated for each project. Exhibit A includes the references used, as well as the agencies or groups that were contacted as a part of the Initial Study. The County Planning Department uses the checklist to summarize the results of the research accomplished during the initial environmental review of the project.

Persons, agencies or organizations interested in obtaining more information regarding the environmental review process for a project should contact the County of San Luis Obispo Planning Department, 976 Osos Street, Rm. 200, San Luis Obispo, CA, 93408-2040 or call (805) 781-5600.

A. Project

DESCRIPTION:

Hearing to consider a request by **Wild Coast Farms** for a Coastal Development Permit (CDP) / Development Plan (DP) (DRC2018-00215) to establish 27,500 square feet (sf) of indoor cannabis cultivation area (22,000 sf canopy); 12,600 sf of ancillary and commercial indoor nursery area; a 1,472 sf metal building for indoor ancillary processing, a cloning area, a restroom, storage, and an office; Ancillary Transport; and related site improvements (e.g., composting area, trash / recycling area, parking, general storage, etc.). A parking modification is requested to allow 9 parking spaces instead of the required 81. The project will result in the disturbance of approximately 3 acres on a 73.5 acre parcel; the cannabis project is located at 2198 Los Osos Valley Road, approximately 0.5 miles northwest of the Los Osos Valley Road/Clark Valley Road intersection and directly west of the Los Osos Wastewater Recycling Facility (LOWWRF). The site is in the Agriculture land use category and within the area governed by the Estero Area Plan. The project site is outside the Los Osos Urban Reserve and the Los Osos Community Services District boundary and is within the Coastal Appeal Area.

The project site is one legal parcel approximately 73.5 acres in size. Although one legal parcel, this site has two assessor parcel numbers, i.e., APNs 067-011-021 and 067-011-057. Proposed site improvements / cannabis activities will only occur on APN 067-011-057, a lease area of approximately 13.6 acres located on the eastern side of the project site (herein referenced as the Eastern Lease Area). The western portion of the site, designated APN 067-011-021 and herein referenced as the Western Lease Area, is an approximately 73.5 acre lease area, that has previously and is currently used for agricultural production (irrigated row crops). No changes or improvements are proposed to the Western Lease Area under this land use application.

Each lease area has their own access to Los Osos Valley Road. The Western Lease Area is accessed by way of Sombrero Road/ Turri Road. The Eastern Lease Area has a separate access, and is accessed by way of an existing private road that extends north about 0.45-miles from Los Osos Valley Road and is shared with the LOWWRF. The roadway is paved to the LOWWRF and is 25-feet wide. An all-weather road (12-16 feet wide) extends west of the LOWWRF to the Eastern Lease Area. In addition to site grading for the placement of new structures/greenhouses, the project will also include the excavation of a 700 foot long utility trench to extend electricity from an existing power pole to the buildings.

Table 1 Proposed Cannabis Components (Eastern Lease Area) Wild Coast Farms DRC2018-00215				
Cannabis Activity	**Structure / Use**	**Proposed Project Component**	**SF Gross**	**Acres Gross**
Indoor Cultivation	New greenhouse	Indoor Cultivation (Maximum canopy 22,000 sf)	27,500[1]	0.63
Nursery (Ancillary & Commercial)[2]	Legalize existing greenhouse[1]	Greenhouse N1 = 3,000 sf	12,600	0.29
		Greenhouse N2 = 3,000 sf		
		Greenhouse N3 = 3,000 sf		
	New Greenhouse	Greenhouse N4 = 3,600 sf		
Ancillary Processing & Other Uses	Legalize existing building[1]	Ancillary Processing[3] = 590 sf	1,472	0.03
		Cloning Area = 396		
		Office = 354 sf		
		Pesticide Storage = 36 sf		
		Restroom = 96 sf		
Ancillary Transport[4]	Allows for the transport of cannabis grown onsite to testing facilities and to other licensees consistent with State law.		N/A	N/A
Miscellaneous Accessory Uses	Existing well & 3 existing water tanks	Water Tank 1,500 gallons	14,360	0.33
		Water Tank 1,500 gallons		
		Water Tank 10,000 gallons		
	Composting Area (7,500 sf)			
	Trash/Recycling (200 sf)			
	Shipping Container for Tool Storage (320 sf)			
	Fertilizer Storage Bags (200 sf)			
	Water Mixing Cubes (60 sf)			
	Water Tanks (2,100 sf) (existing 10,000 gallon & 2 @ 1,500 gallons each)			
	9 parking spaces (2,380 sf) (8 @ 9' x 18' and 1 @ 24' x 30')			
	Trench for electrical Connection (1,500 sf)			
	Existing Septic System (100 sf) (For existing residence and proposed processing building restroom)			
Total			**55,932**	**1.28**

Notes:

1. Existing buildings to be brought up to current building code.
2. An ancillary nursery provides cannabis nursery items for on site use only. A commercial nursery may provide cannabis nursery items to off-site cannabis operations.
3. Processing includes drying, curing, trimming, rolling, storing, packaging, and labeling of nonmanufactured cannabis products.
4. This component is within an area defined elsewhere in this table.

All cannabis activities will occur indoors within the Eastern Lease Area. Cannabis cultivation and nursery activities will take place within five greenhouses with a combined floor area of 40,100 sf. An existing 1,472 sf metal building will be brought up to current building codes and used for ancillary processing, an office, restroom, cloning area, and storage. One existing 320 sf shipping container will be used to store cannabis

related equipment and tools. The proposed project will use an existing well, three existing water storage tanks, and the site's existing septic system. Other proposed site improvements include a composting and trash/recycling area, an employee parking area, and access improvements. Project components proposed within the Eastern Lease Area are summarized in Table 1 and discussed in greater detail below.

Mixed-Light Indoor Cultivation

Wild Coast Farms proposes to cultivate mature cannabis plants within a new, 27,500-square foot greenhouse; the cannabis canopy would not exceed 22,000 square feet. Sunlight would be the primary source of light for the indoor cannabis cultivation with artificial lighting used as a supplemental source. The greenhouse will include light deprivation capabilities, fans, carbon filtration for odor control, and supplemental interior lighting. Dehumidifiers and automated vents would be used to control the climate as well as create a hydronic system to heat the root zones. At full capacity is it anticipated the flowering greenhouse would hold approximately 12,000 plants. Plants would be grown above ground in pots. Up to 25% of this greenhouse may be used for cannabis drying while cannabis cultivation is taking place.

Commercial and Ancillary Nursery

Cannabis nursery operations would occur indoors within three existing greenhouses (3,000 square feet each) and a new, 3,600-square foot greenhouse. The three existing greenhouses will be brought up to current building codes. The ancillary nursery operation will produce immature (non-flowering) plants to support on-site cannabis cultivation. The commercial nursery will produce cannabis seeds and immature plants that would be sold and transported to licensed cannabis operations located off-site. The nursery greenhouses will be equipped with fans, supplemental lighting, and blackout curtains to reduce the amount of interior greenhouse light emanating from the greenhouse at night and protect the interior cannabis crop from exterior light contamination during evening hours. No odor control is proposed within the nursery greenhouses.

Processing and Ancillary Transport

After the mature plants are harvested, an existing metal building (1,472 square feet) would be used for ancillary cannabis processing. The metal building will be brought up to current building codes as part of this permit. In addition to cannabis processing, the metal building would include an area for an office, pesticide storage, a restroom, and cloning area. Per the cannabis ordinance, ancillary processing may include drying, curing, trimming, rolling, storing, packaging, and labeling of nonmanufactured cannabis products. As proposed, the applicant would only process cannabis grown on site. Following processing, the product will be placed in totes, sold, and transported offsite by a buyer or a certified employee (ancillary transport). Odor control technology is proposed for this building.

Operations

Wild Coast Farms will operate year round, seven days per week between the hours of 7 AM and 7 PM and will employ 8 full-time employees. One to two of these employees may live onsite. It is anticipated there will be 12 cannabis harvests (one per month) per year. Nine total parking spaces are proposed, including one ADA compliant parking space. All employees would have access to project parking and to the proposed restroom facility located in the cannabis processing building. The existing septic system on site would continue to serve the residence on site as well as the restroom proposed in the processing building.

Security Plan

The cannabis facility will be surrounded by an 8-foot high chain link security fence with opaque slats. Access will be controlled by a locked gate with a key card entry system. No outdoor security lighting is proposed. The project includes a security plan that will be reviewed and approved by the Sheriff's Office.

Odor Management Plan

Nuisance odors are primarily generated by flowering plants within a cultivation area, drying, and processing of cannabis products. To prevent cannabis nuisance odors from drifting off site, the cultivation greenhouse and the processing building will incorporate carbon scrubbers. No odor control is proposed for the nursery greenhouses.

Water Demand

All plants associated with the indoor cultivation and nursery operations will be served on an as-needed basis by an individual drip irrigation system. Water for the project site is provided by an onsite well. A water quality test conducted in 2019 by BKS Associates concluded that the water supply is suitable for cannabis cultivation. A well pump test performed in 2018 by Pro H2o Drilling and Pump Company indicates the well can produce 24 gallons per minute.

Baseline Conditions. The project site consists of 73.5 acres located east of the unincorporated community of Los Osos outside of the Los Osos Urban Reserve and the Los Osos Community Services District boundaries (Figure 1). The project site is subject to a Land Conservation Act (Williamson Act) contract that covers the entire project site (i.e., the Eastern and Western Lease Areas).

The Western Lease Area surrounding land uses include Los Osos Creek, the Urban Reserve Line, and undeveloped land to the west on lands designated Residential Suburban; active agricultural operations (row crops, grazing, and seasonal dry farming) to the north on lands designated Agriculture; agricultural operations, undeveloped land, and residential development to the south on lands designated Residential Suburban; and Sombrero / Turri Road and the Eastern Lease Area to the east on lands designated Agriculture. Existing development associated with the Western Lease Area includes 300 sf of agricultural accessory buildings, a well, fertilizer storage tanks, and about 63 acres of irrigated row crops served by interior unimproved access roads.

The Eastern Lease Area surrounding uses include active agricultural operations (row crops, grazing and seasonal dry farming) to the north and west on lands designated Agriculture; the LOWWRF to the east on land designated Agriculture; the Los Osos Mortuary & Memorial Park (undeveloped and developed portions) located directly to the south on lands designated Public Facility, and single family residences to the southwest on lands designated Residential Suburban. Los Osos Creek and Warden Lake are located about 0.20 miles to the north and northeast respectively.

The Eastern Lease Area contains gently sloping terrain. The construction of the LOWWRF resulted in the placement of several feet of fill on the Eastern Lease Area. The fill ranges in depth from one to nine feet and is deepest along the eastern property line shared with the LOWWRF. The Eastern Lease Area has historically been used for dry framing and grazing. In 2019, approximately five acres of the Eastern Lease Area was planted with commercial hemp which was grown outdoors as well as within hoop structures. However, the 73.5 acre project site does not meet the minimum site requirements for industrial hemp cultivation and hemp cultivation was removed in May, 2020.

Existing development associated with the Eastern Lease Area includes a manufactured dwelling (1,620 sf), a metal accessory building (1,472 square feet), and four greenhouses totaling 12,600 square feet. As discussed in the project description, the metal building and greenhouses will obtain as-built building permits and will be incorporated into the proposed cannabis activities. Vegetation within the Eastern Lease Area includes ornamental landscaping and non-native grasses; a grove of Monterey cypress trees is located near the existing manufactured home.

Ordinance Modifications: The project includes a request for a modification from the parking provisions set forth in CZLUO Section 23.04.166. The type of uses that are most similar to the proposed cannabis activities are "*Ag Processing*" and "*Nursery Specialties*". The parking requirement for agricultural processing is one parking space per 1,000 square feet of floor area and for nursery specialties the parking requirement is 1 space per 500 sf of floor area. As shown in Table 2, the project would require 81 parking spaces. The project proposes a modification to reduce the required number of spaces from 81 to a total of 9 spaces; 8 spaces would have an all-weather surface (decomposed granite) and one parking space would be concrete, meeting Americans with Disabilities Act [ADA] standards.

Table 2
Estimated Parking Requirements

Cannabis Activity	Proposed SF Gross	Parking Req. Title 22	Parking Spaces Required
Indoor Cultivation	27,500	1:500	55
Ancillary & Stand-Alone Nursery	12,600	1:500	25
Processing / Cloning Area	986	1:1,000	1
Total Parking Required			**81**

Figure 1 -- Project Location

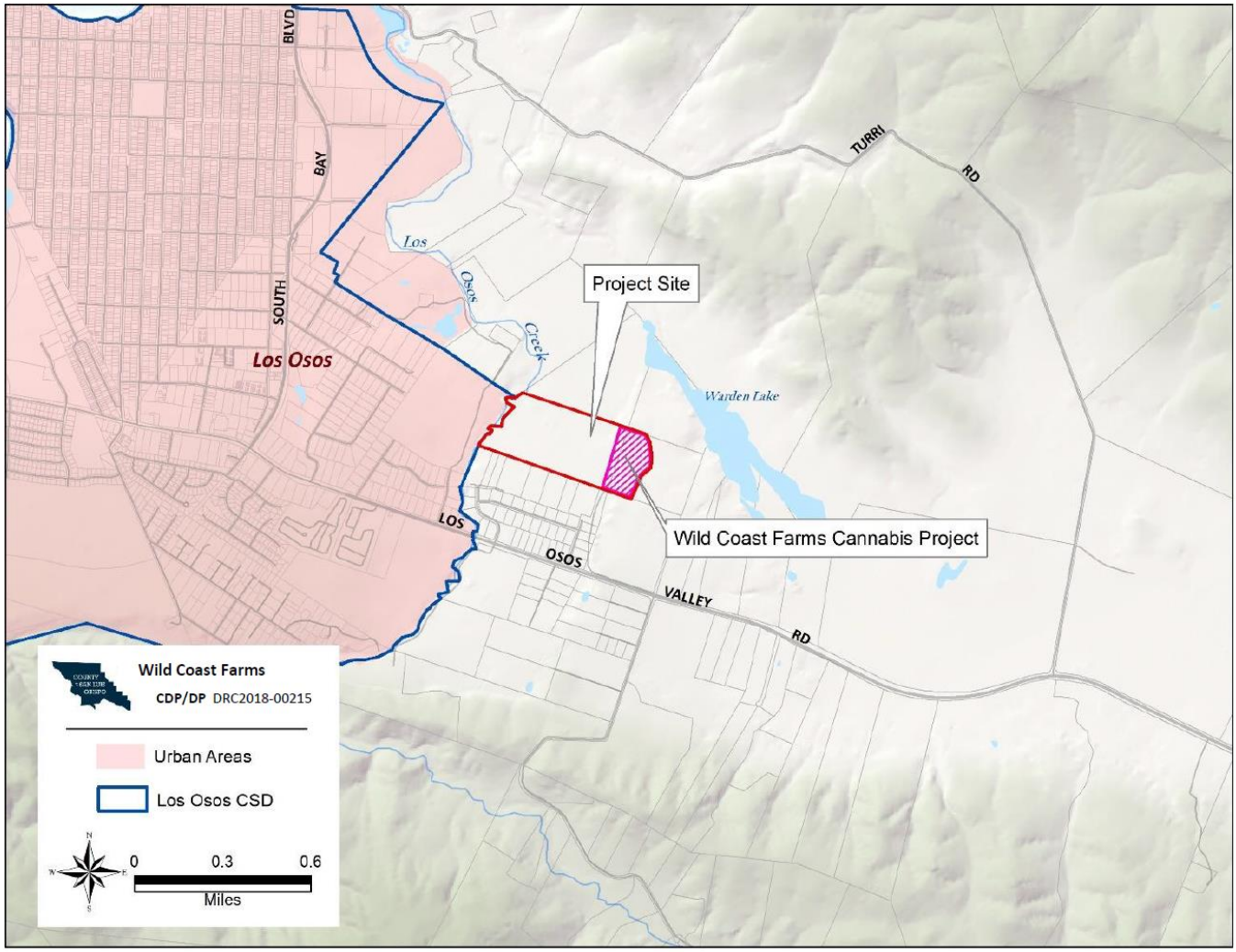


Figure 2 -- Project Vicinity

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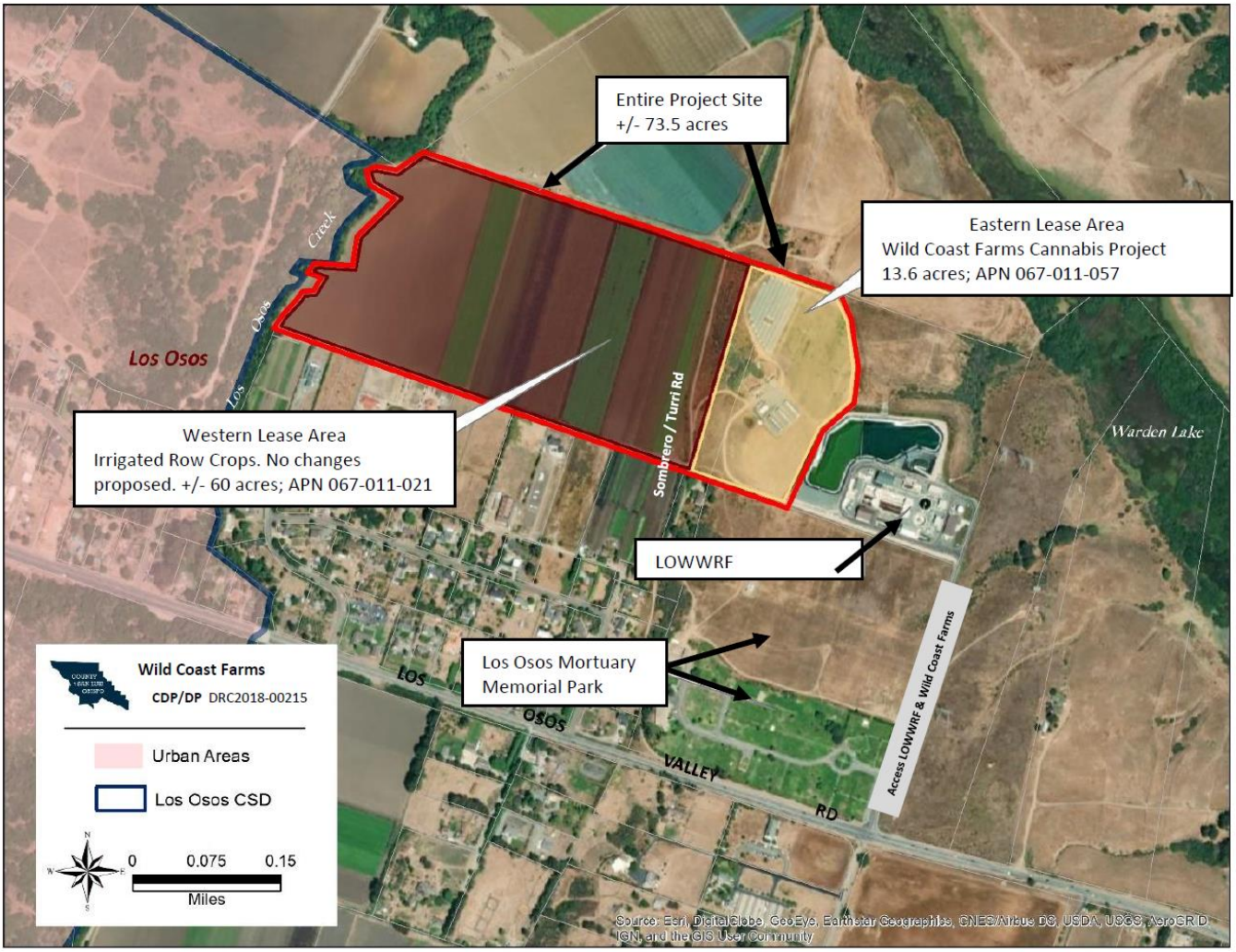


Figure 3 – Existing Conditions – Eastern Lease Area

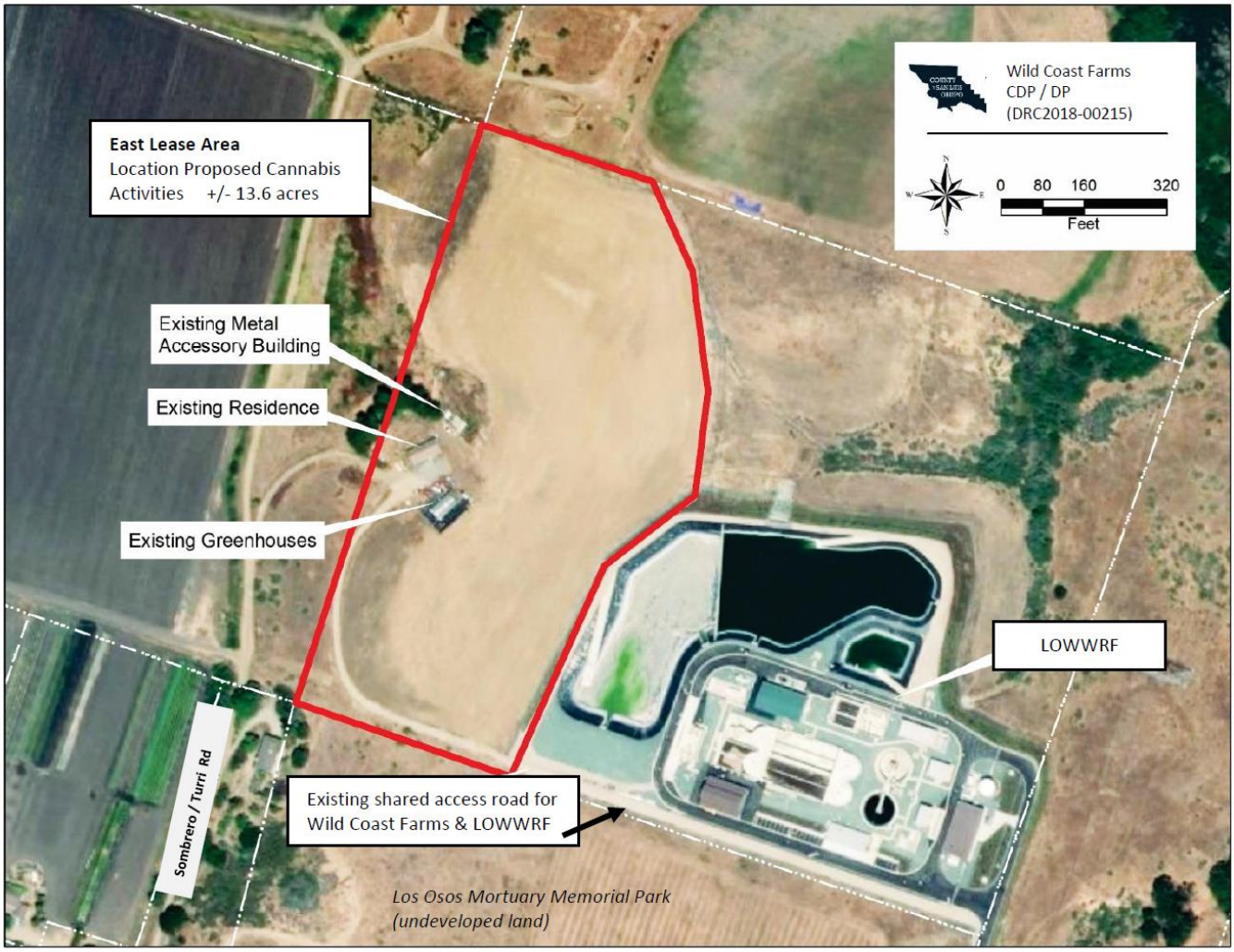


Figure 4 – Site Plan (Eastern Lease Area)

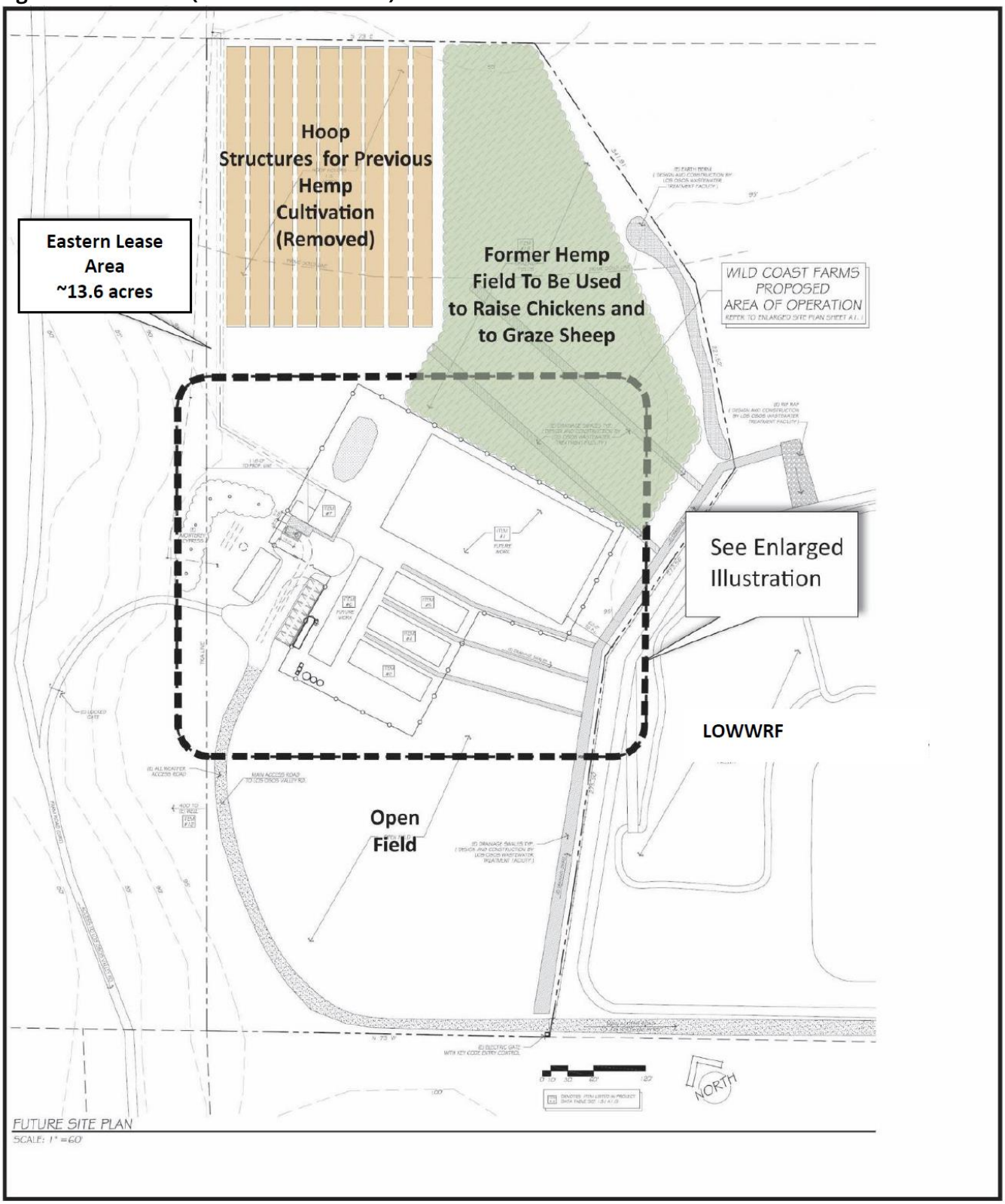


Figure 5 -- Site Plan Enlarged (Eastern Lease Area)

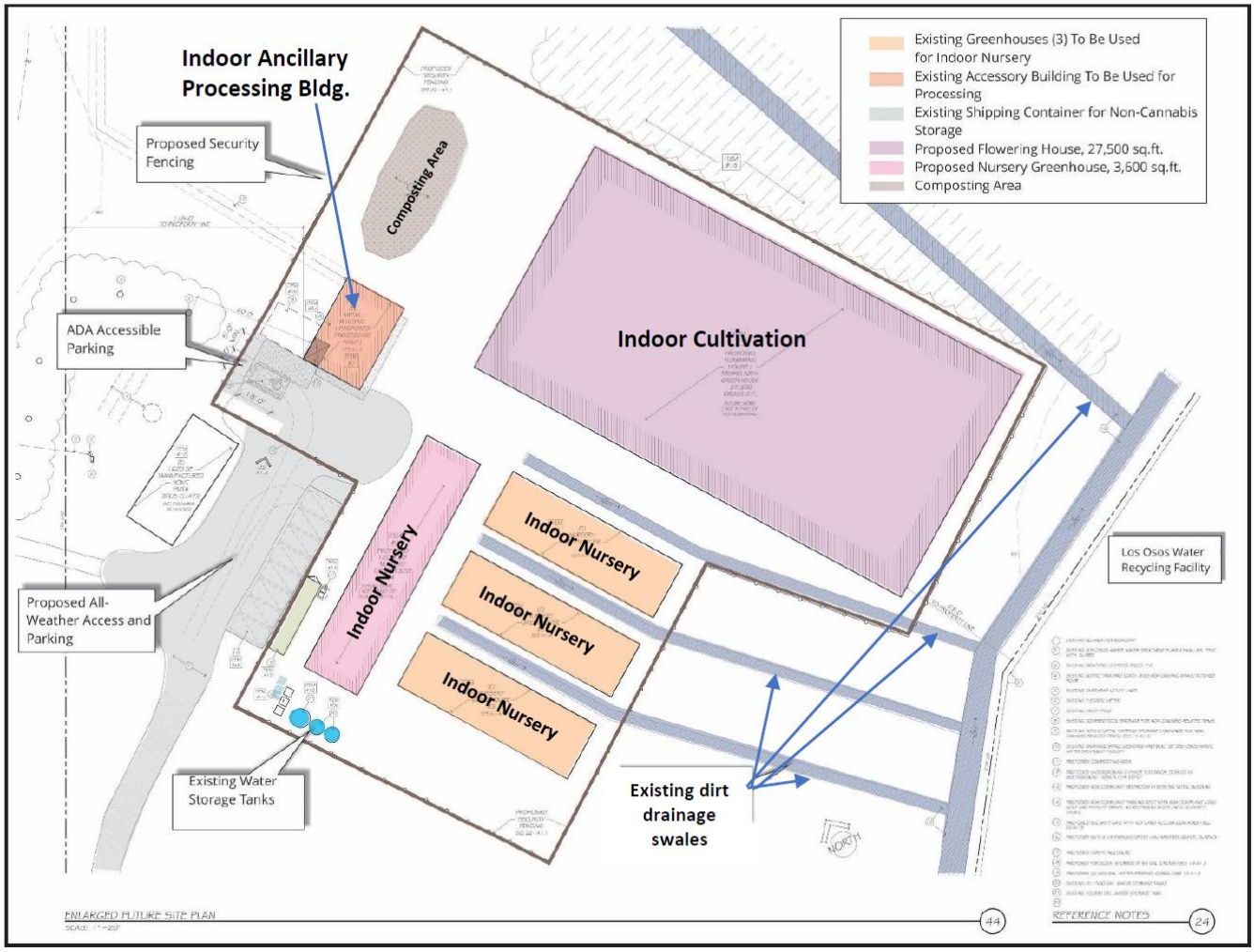
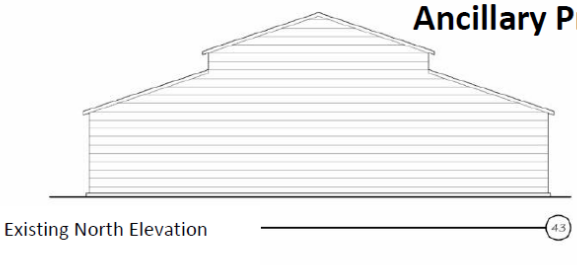
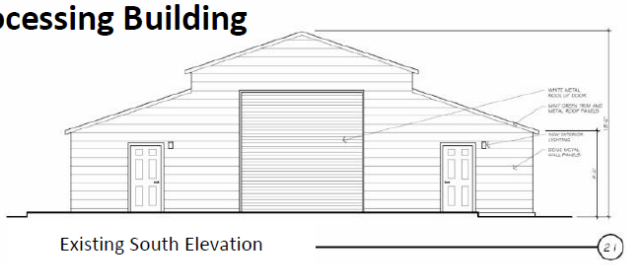


Figure 6 -- Existing Metal Building to be Used for Cannabis Ancillary Processing – Elevations & Floor Plan

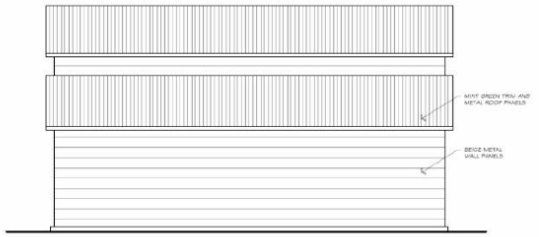
Ancillary Processing Building



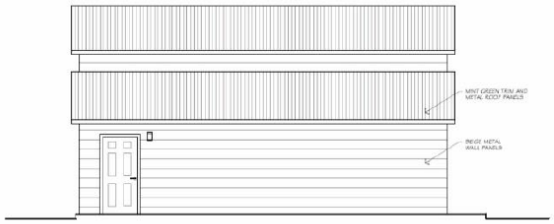
Existing North Elevation



Existing South Elevation



Existing East Elevation



Existing West Elevation

Ancillary Processing Building Floor Plans

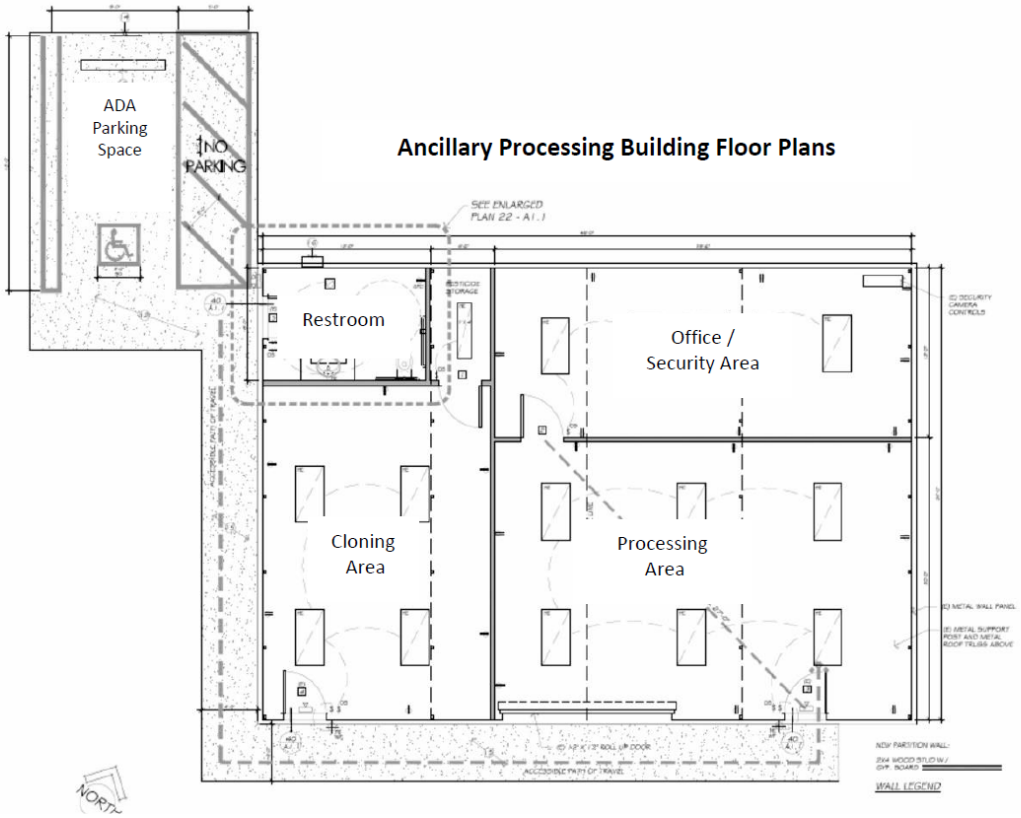
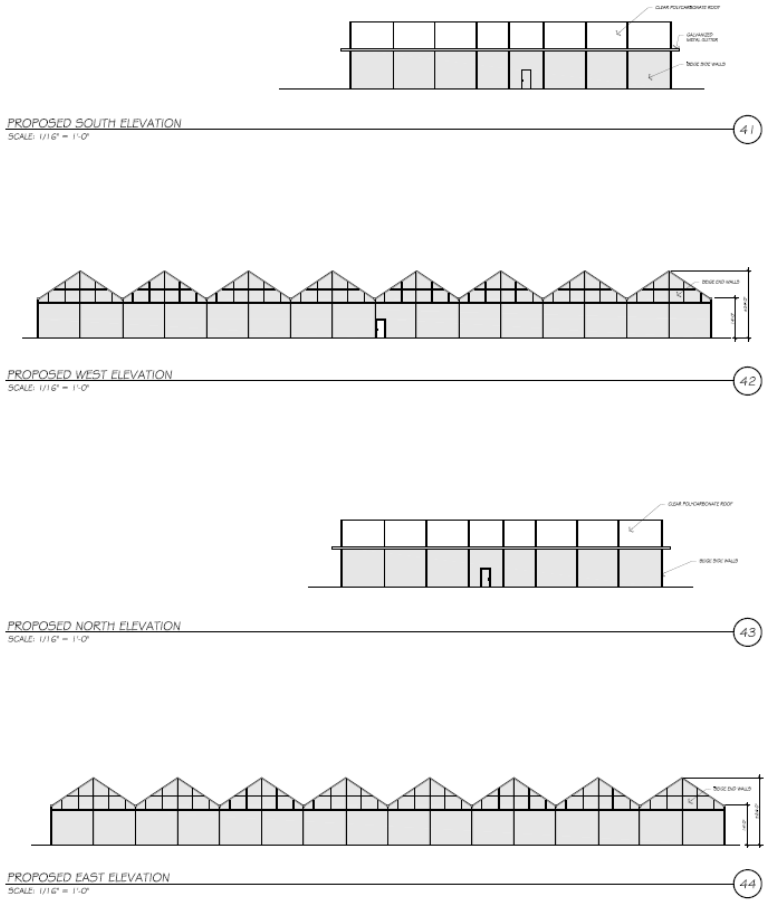


Figure 7 -- Indoor Cultivation (Flowering Greenhouses) – Elevations & Floor Plans



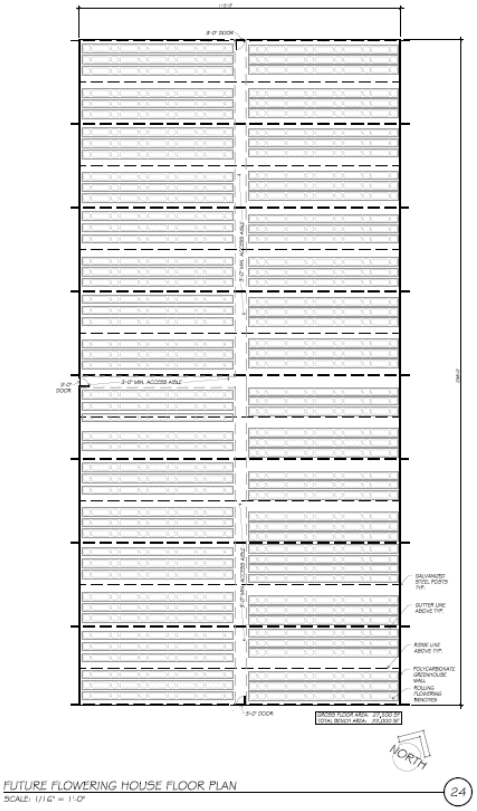


Figure 8 -- Nursery Greenhouses – Elevations & Floor Plan

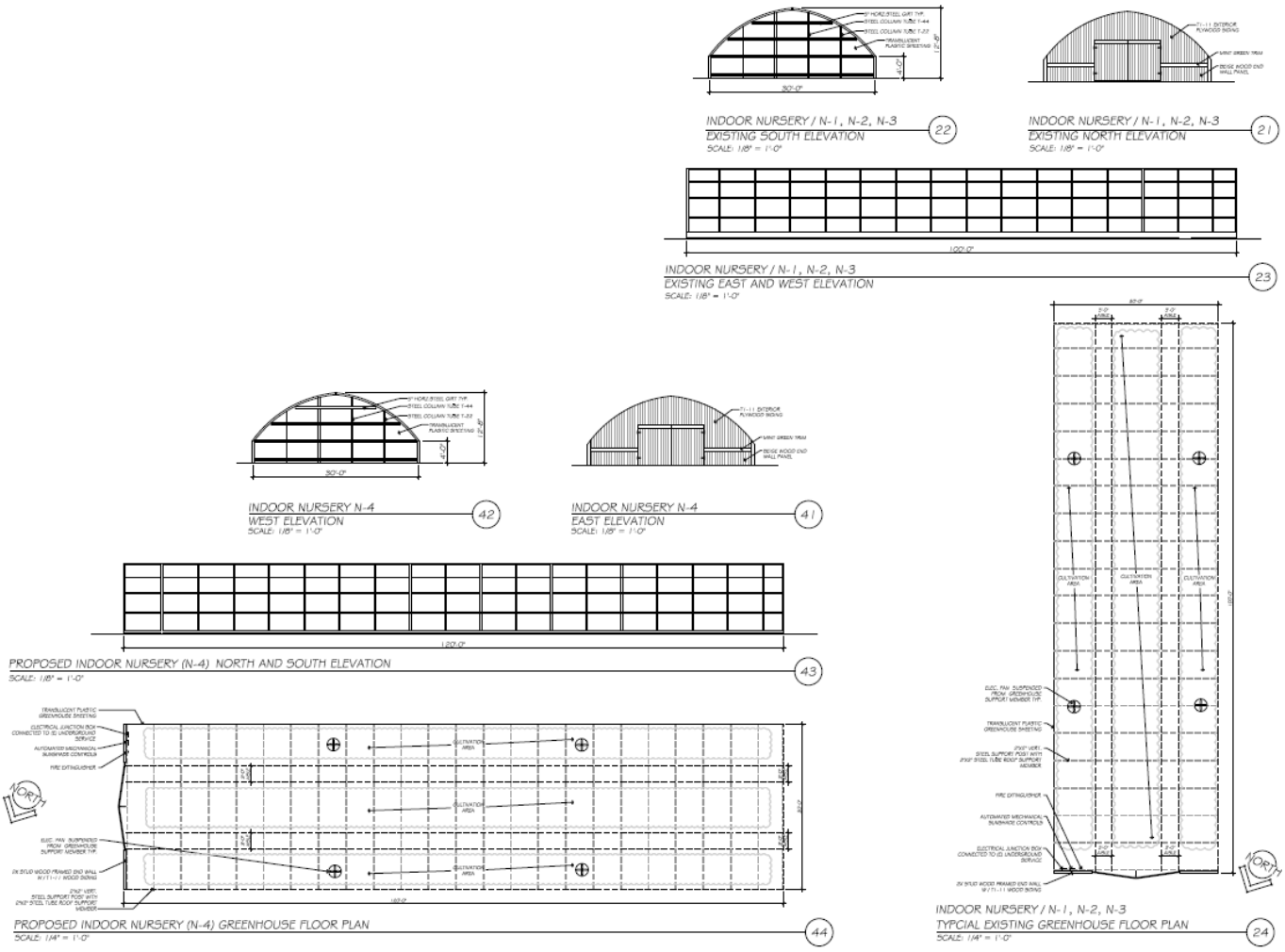
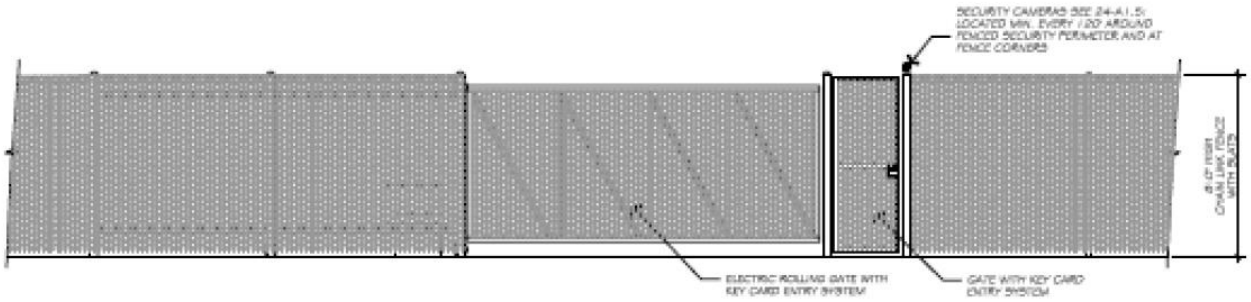


Figure 9 -- Other Project Components



Typical Proposed Security Fencing / Entry Gate Elevation 22

Proposed Storage Container 11

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ASSESSOR PARCEL NUMBER(S): 067-011-057 (Eastern Lease Area); 067-011-021 (Western Lease Area)

Latitude: 35°20'12.084" N **Longitude:** 120°23'59.82" W **SUPERVISORIAL DISTRICT #** 2

B. Existing Setting

Plan Area: Estero **Sub:** Coastal Appeal Zone **Comm:** Rural

Land Use Category: Agriculture

Combining Designation: Coastal Appealable Zone(Eastern & Western Lease Area); Flood Hazard, Sensitive Resource Area Western Lease Area

Parcel Size: 73.5 total acres

Topography: Nearly level to gently rolling

Vegetation: Grasses Ornamental landscaping Agriculture

Existing Uses: Single family residence and accessory structures Eastern Lease Area; accessory structures and irrigated row crops Western Lease Area

Surrounding Land Use Categories and Uses (Entire Site):

North: Agriculture; agricultural uses

East: Agriculture, LOWWRF

South: Public Facilities; Los Osos Mortuary Memorial Park Residential Suburban; Single Family Residences

West: Residential Suburban; undeveloped

Other Approvals That May Be Required to Implement the Project

Permit Type/Action	Agency
Cannabis cultivation license	California Department of Food and Agriculture (CDFA), CalCannabis Cultivation Licensing Division
Cannabis manufacturing license	California Department of Public Health (CDPH), Manufactured Cannabis Safety Branch
Lake and Streambed Alteration (LSA) Agreement or written verification that one is not needed	California Department of Fish and Wildlife (CDFW), Cannabis Program
Small Irrigation Use Registration and coverage under the Cannabis Cultivation General Order	California State Water Resources Control Board (SWRCB)

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

C. Environmental Analysis

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

Initial Study – Environmental Checklist

I. AESTHETICS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Except as provided in Public Resources Code Section 21099, would the project:					
(a)	Have a substantial adverse effect on a scenic vista?	☐	☐	☒	☐
(b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☒	☐
(c)	In non-urbanized areas, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (public views are those that are experienced from publicly accessible vantage point). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?	☐	☐	☒	☐
(d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☒	☐	☐

Setting

The project site is located north of Los Osos Valley Road (LOVR) which connects the community of Los Osos and Montana de Oro State Park with Highway 101 and the City of San Luis Obispo to the east. Traffic counts taken on LOVR west of Clark Valley Road in 2016 revealed an afternoon peak hour volume of 1,474 vehicles. LOVR is not an Officially Designated Scenic Highway and is not is listed as a "Suggested Scenic Corridor" on Table VR-2 of the Conservation and Open Space Element. Development along LOVR is not subject to the County's Scenic Protection Standards.

The Eastern Lease Area where cannabis activities are proposed occupies a small knoll to the north of the Los Osos Valley Memorial Park and immediately west of the Los Osos Water Recycling Facility in an area where the visual character transitions from residential and institutional development to intensive irrigated agriculture. As discussed in the project description, the baseline visual components include an existing pre-fabricated dwelling, three greenhouses and a metal accessory structure. The existing metal accessory building incorporates a double gable roof that recalls the agrarian design elements of barns common to the Los Osos Valley.

The quality of the existing visual environment throughout the region is high. The combining patterns of rolling topography and agriculture framed by the Irish Hills to the south and the Morros to the north create a landscape with a high degree of visual interest and memorability.

The project site is located in a suburban/semi-rural area of the County with moderate development and light pollution.

California's Scenic Highway Program was created by the State of California (State) Legislature in 1963 with the intention of protecting and enhancing the natural scenic beauty of California highways and adjacent corridors. The portion of Nacimiento Lake Drive from the Monterey County Line to Chimney Rock Road in San Luis Obispo County was officially designated a County Scenic Highway in 1972 through the State Scenic Highway Program. Obtaining state recognition as an officially designated County Scenic Highway follows the same requirements that apply to State Routes (California Department of Transportation [Caltrans] 2019).

The County of San Luis Obispo Coastal Zone Land Use Ordinance (CZLUO) establishes regulations for visual resources (CZLUO 23.04.210), exterior lighting (CZLUO 23.04.320), height limitations for each land use category (CZLUO 23.04.124), and scenic highway corridor standards (CZLUO 23.05.034). 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 of San Luis Obispo General Plan Land Use Element (LUE) and Area Plans.

The project site is governed by the Estero Area Plan which sets forth policies and programs aimed at protecting visual resources.

> **Policy B.5** states:
>
> Protect scenic views, especially those of the hillsides and ridges of the Irish Hills as seen from Los Osos Valley Road without interfering with agricultural production.
>
> In addition to retaining and encouraging agricultural production in the Los Osos Valley, the Area Plan establishes an Irish Hills Scenic Backdrop and a Los Osos Valley Road Highway Corridor Design Area.
>
> **Policy 6** encourages the protection of scenic vistas of the Morros.
>
> These policies are implemented by planning area standards and the Coastal Zone LUO. The project site is not located within the Irish Hills Scenic Backdrop or the Los Osos Valley Road Highway Design Area.

The Conservation and Open Space Element (COSE) of the County of San Luis Obispo General Plan identifies several goals for visual resources in rural parts of the county, listed below:

> **Goal VR 1:** The natural and agricultural landscape will continue to be the dominant view in rural parts of the county.
>
> **Goal VR 2:** The natural and historic character and identify of rural areas will be preserved.
>
> **Goal VR 3:** The visual identities of communities will be preserved by maintaining rural separation between them.
>
> **Goal VR 7:** Views of the night sky and its constellation of stars will be maintained.

Some of the strategies identified to accomplish the goals listed above include encouraging project designs that emphasize native vegetation and conforming grading to existing natural forms, as well as ensuring that new development follows the Countywide Design Guidelines to protect rural visual and historical character.

The Countywide Design Guidelines identify objectives for both urban and rural development. Rural area guidelines applicable to the project include the following:

> **Objective RU-5:** Fences and screening should reflect an area's rural quality.

Objective RU-7: Landscaping should be consistent with the type of plants naturally occurring in the County and should limit the need for irrigation.

It should also be noted that the Coastal Land Use Ordinance details standards for exterior lighting (CZLUO Section 23.04.320); however, these standards do not apply to uses established within the Agriculture land use category.

On January 16, 2019, the Office of Administrative Law (OAL) approved the California Department of Food and Agriculture's (CDFA's) cannabis cultivation regulations and the regulations went into effect immediately. These regulations have been set forth in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations and include general environmental protection measures for cannabis cultivation projects, including standards related to aesthetic resources. 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 only Officially Designated State Scenic Highway in San Luis Obispo County is Highway 1.

Discussion

The project will involve total site disturbance of about 3 acres and will include the construction of a new 27,500 sf metal building to be used for an indoor nursery and cultivation, as well as a new 3,600 sf metal greenhouse. The proposed flowering/nursery building will be 24 feet tall and will consist of eight attached greenhouse units with pitched roofs and semi-transparent polycarbonate roof and walls. The new nursery greenhouse will be identical in design to the existing greenhouse buildings with a rounded (quonset) roof and semi-transparent siding. An opaque fence will be installed around the entire area proposed for cannabis operations.

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

For the purposes of determining significance under CEQA, a scenic vista is defined as a viewpoint that provides expansive views of a highly valued landscape for the benefit of the general public.

The Eastern Lease Area where cannabis activities are proposed is not located within an identified scenic vista, designated 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 *no impacts would occur.*

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

The project is not located within the viewshed of Los Osos Valley Road, a County Scenic Highway, or any other designated or eligible state scenic highway. Therefore, implementation of the project would not result in damage to scenic resources within the viewshed of a state scenic highway and *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 a 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?

In assessing project impacts on visual resources, the following factors were considered:

- *The potential for, and frequency of, viewing by the general public.*

The aesthetic effects of a project are more likely to be significant if they are highly visible to large numbers of the public over an extended period of time. Changes to views that are seen by a limited number of people, or for only limited duration, may be found to be less than significant.

As discussed in the setting, LOVR in the vicinity of Clark Valley Road carries about 1,474 vehicles during the afternoon peak hour, or about 24 vehicles per minute will pass by the on the roadway parallel to the Eastern Lease Area where cannabis activities are proposed. Traffic speeds on LOVR in the vicinity of the project site are about 55 miles per hour which means that travelers on LOVR would pass by the project site in about 7 seconds, assuming the width of the Eastern Lease Area is about 570 feet. However, the Eastern Lease Area is roughly a quarter-mile north of Los Osos Valley Road and views of the Eastern Lease Area are largely obscured by intervening development, landscaping adjacent to LOVR, and topography (Figure 10). Thus, although opportunities for the public to view the Eastern Lease Area are moderately high, the potential and frequency to view the site are low because of the relatively high speed of traffic and the site's distance from Los Osos Valley Road and the screening provided by the intervening landscaping and terrain.

The Eastern Lease Area is also visible from surrounding properties to the south and south-west as well as from the Los Osos Valley Memorial Park and Los Osos Water Recycling Facility.

Figure 10 -- Views of the Project Site From LOVR Near Clark Valley Road

- *The integrity and uniqueness of the existing scenic resource.*

The magnitude of change necessary to create a significant impact to visual resources is greater in a disturbed or non-unique environment than in a pristine or rare environment.

The Eastern Lease Area is developed with a residence and greenhouses which are typical of surrounding ranchlands along LOVR. The visual character within the vicinity of the Eastern Lease Area includes intensive agricultural operations and institutional uses that include the LOWWRF and the Los Osos Valley Memorial Park. The project site is located on the fringe of the Los Osos urban area in an area of transition from large-lot residences at suburban densities to the agricultural lands of the Los Osos Valley. Thus, the visual qualities of the Eastern Lease Area are not unique within the Los Osos fringe area. The scale and character of the proposed new construction will not significantly detract from the integrity or uniqueness of the larger landscape.

- *The magnitude of the change.*

A project that is small in size, or will result in minimal physical changes to the environment, is less likely to cause a significant impact to scenic qualities. Aesthetic changes associated with an individual project may appear significant, but in the context of the entire region may be relatively minor. Changes to visual character of the landscape where the change is minor may be found to be less than significant.

As discussed above, the Eastern Lease Area is developed with a residence and greenhouses that are typical of the Los Osos Valley and will be only slightly visible for a brief period from LOVR by a moderately large number of passing motorists. The proposed greenhouses and other development associated with cannabis activities will largely be consistent with the setting and visual character of the surrounding agricultural lands. Therefore, the magnitude of change is considered less than significant within the context of the larger visual landscape.

The preceding discussion indicates that the project will have a *less than significant impact* on scenic vistas, scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway, and will not substantially degrade the existing visual character or quality of public views of the site and its surroundings because:

- The design, scale and character of the new construction proposed for the project site (greenhouses and processing building) are consistent with the size, scale and character of existing development on the project site and vicinity;
- The visual quality, integrity and uniqueness of the project site and vicinity will be preserved by locating the new development on portions of the project site that are not readily visible or prominent when viewed from public vantage points;
- When considering the size, location and visual character of the proposed new development within the context of the surrounding rural landscape, the magnitude of the change to the visual quality of the site and vicinity is small.

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

Due to the suburban, semi-rural nature of the area, artificial lighting that escapes the facilities could have the potential to impact both nearby residents and wildlife species. The project does not include any exterior lighting, including security or motion-activated lighting. 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.

The project includes mixed-light cannabis cultivation within a proposed greenhouse, which includes cultivation techniques such as light deprivation and artificial light simulation. During this process, grow lights may be used in the evenings and nighttime to simulate artificial daylight. The proposed greenhouses would be constructed with materials with relatively high translucency to allow sunlight to be absorbed by the plants inside. Each greenhouse will be equipped with a blackout system to be engaged between dusk and dawn when the grow lights are on. In addition, the project would be required to demonstrate compliance with applicable state standards set forth in the CCR associated with shielding of security lighting and lighting for mixed-light cultivation uses.

With implementation of AES-1, impacts would be *less than significant with mitigation*.

Conclusion

The project is not expected to adversely impact aesthetic resources because:

- Views of the Eastern Lease Area from surrounding public vantage points are largely obscured by existing development, landscaping and the intervening terrain.
- The buildings proposed for the project incorporate agrarian design elements that will be consistent with the surrounding area and the visual character of the area.
- The project will not require extensive grading or significant cut and fill on steep slopes.
- The General Plan does not designate any scenic resources in this area.
- All proposed cannabis activities will take place within buildings which will prevent cannabis plants from being readily visible from offsite as required by CZLUO Section 23.08.418 d.6.
- Mitigation is recommended to address potential impacts associated with new sources of light and glare.

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 greenhouse facilities 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 CZLUO Section 23.04.10.320, 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.

Sources

See Exhibit A.

II. AGRICULTURE AND FORESTRY RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:				
(a)	Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☒	☐
(b)	Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☒	☐
(c)	Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	☐	☐	☐	☒
(d)	Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☒
(e)	Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☒	☐

Setting

San Luis Obispo County 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, and 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 General Plan

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.

The California Department of Conservation (CDOC) 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 underlying the Eastern Lease Area are designated as Grazing Land.

Chapter 6 of the County COSE identifies resource management goals, policies, and strategies to protect agricultural soils from conversion to urban and residential uses. Important Agricultural Soils within the County are identified in Table SL-2 of the COSE and Policy SL 3.1 states that proposed conversion of agricultural lands to non-agricultural uses shall be evaluated using the applicable policies in the COSE and Agriculture Element.

The project site, an approximately 73 acre parcel, is located within the Agriculture land use category. The roughly 60 acre Western Lease Area has been continuously used for the cultivation of irrigated row crops. No changes to the Western Lease Area are proposed under this project. The Eastern Lease Area, where cannabis activities are proposed, is located on an approximately 13.6 acre portion of the site and is separated from the Western Lease Area's row crop cultivation by an unimproved road. The Eastern Lease Area has been used for grazing and the dry farming of grain. There are three existing greenhouses on the Eastern Lease Area that are not currently used for crop production; these greenhouses will be incorporated into the proposed cannabis activities. In 2019, approximately five acres of the Eastern Lease Area was planted with commercial hemp which is grown outdoors and partially within hoop structures. The 73.5 acre project site does not meet the minimum site requirements for industrial hemp cultivation. Accordingly, hemp cultivation was removed in May, 2020.

Based on the U.S. Department of Agriculture (USDA) Natural Resource Conservation Service (NRCS) Web Soil Survey (NRCS 2019) and the Soil Survey of San Luis Obispo County, California – Coastal Area (USDA 1983), soil type(s) and characteristics of the Eastern Lease Area where cannabis activities are proposed include the following:

> Concepcion loam, 2 to 5 percent slopes: This component is on marine terraces. The parent material consists of alluvium derived from sedimentary rock. Depth to a root restrictive layer, abrupt textural change, is 10 to 21 inches. The natural drainage class is moderately well drained. Water movement in the most restrictive layer is low. Available water to a depth of 60 inches (or restricted depth) is moderate. Shrink-swell potential is moderate. This soil is not flooded. It is not ponded. There is no zone of water saturation within a depth of 72 inches. Organic matter content in the surface horizon is about 2 percent. Non-irrigated land capability classification is 3e. Irrigated land capability classification is 3e. This soil does not meet hydric criteria. This soil is considered Farmland of Statewide Importance according to Table SL-2 of the Conservation and Open Space Element.
>
> Concepcion loam, 5 to 9 percent slopes: This component is on marine terraces. The parent material consists of alluvium derived from sedimentary rock. Depth to a root restrictive layer, abrupt textural change, is 10 to 21 inches. The natural drainage class is moderately well drained. Water movement

in the most restrictive layer is low. Available water to a depth of 60 inches (or restricted depth) is moderate. Shrink-swell potential is moderate. This soil is not flooded. It is not ponded. There is no zone of water saturation within a depth of 72 inches. Non-irrigated land capability classification is 3e. Irrigated land capability classification is 3e. This soil is considered Farmland of Statewide Importance according to Table SL-2 of the Conservation and Open Space Element.

Diablo clay, 5 to 9 percent slopes: This component is on hillslopes on hills. The parent material consists of residuum weathered from calcareous shale. Depth to a root restrictive layer, bedrock, paralithic, is 40 to 59 inches. The natural drainage class is well drained. Water movement in the most restrictive layer is very low. Available water to a depth of 60 inches (or restricted depth) is moderate. Shrink-swell potential is very high. This soil is not flooded. It is not ponded. There is no zone of water saturation within a depth of 72 inches. Non-irrigated land capability classification is 4e. Irrigated land capability classification is 4e. This soil is considered Prime Farmland according to Table SL-2 of the Conservation and Open Space Element.

As discussed in the project description, construction of the LOWWRF resulted in the placement of several feet of fill on the Eastern Lease Area. The fill ranges in depth from one to nine feet deep and is deepest along the eastern property line shared with the LOWWRF.

Table 3 -- Soils And Important Farmland Classifications of the Entire Project Site

Soil Name	Total Acres	FMMP Classification	COSE Classification
Concepcion loam, 2% to 5% Slope	3.96	Farmland of Local Importance	Farmland of Statewide Importance
Concepcion loam, 5% to 9% Slope	8.01	Farmland of Local Importance	Farmland of Statewide Importance
Diablo clay, 5% to 9% Slope	5.30	Farmland of Local Importance	Prime Farmland
Marimel sandy clay, flooded	16.28	Prime Farmland if Irrigated	Prime Farmland
Marimel silty clay loam	23.85	Prime Farmland if Irrigated	Prime Farmland
Salinas silty clay 0% to 2% slope	13.17	Prime Farmland if Irrigated	Prime Farmland
Xerothents escarpment	3.29	Not Prime	Not Listed
Total:	**73.86**		

Source: Farmland Mapping and Monitoring Program 2016, San Luis Obispo County Conservation and Open Space Element, Table SL-2

Table 4 -- Soils And Important Farmland Classifications of the Eastern Lease Area

Soil Name	Total Acres	FMMP Classification	COSE Classification
Concepcion loam, 2% to 5% Slope	4.6	Farmland of Local Importance	Farmland of Statewide Importance
Concepcion loam, 5% to 9% Slope	5.8	Farmland of Local Importance	Farmland of Statewide Importance
Diablo clay, 5% to 9% Slope	3.2	Farmland of Local Importance	Prime Farmland
Total:	**13.6**		

Source: Farmland Mapping and Monitoring Program 2016, San Luis Obispo County Conservation and Open Space Element, Table SL-2

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 Eastern Lease Area where cannabis activities are proposed is located within the Los Osos Agricultural Preserve and is part of a Land Conservation Act (LCA) contract that covers the entire 73.5 acre project site (Figure 12).

According to Public Resources Code (PRC) Section 12220(g), forest land is defined as land that can support 10% native tree cover of any species, including hardwoods, under natural conditions, allowing 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 State Board of Forestry and Fire Protection as experimental forest land, which is available for,

Figure 11 -- Soils of the Eastern Lease Area Where Cannabis Activities Are Proposed

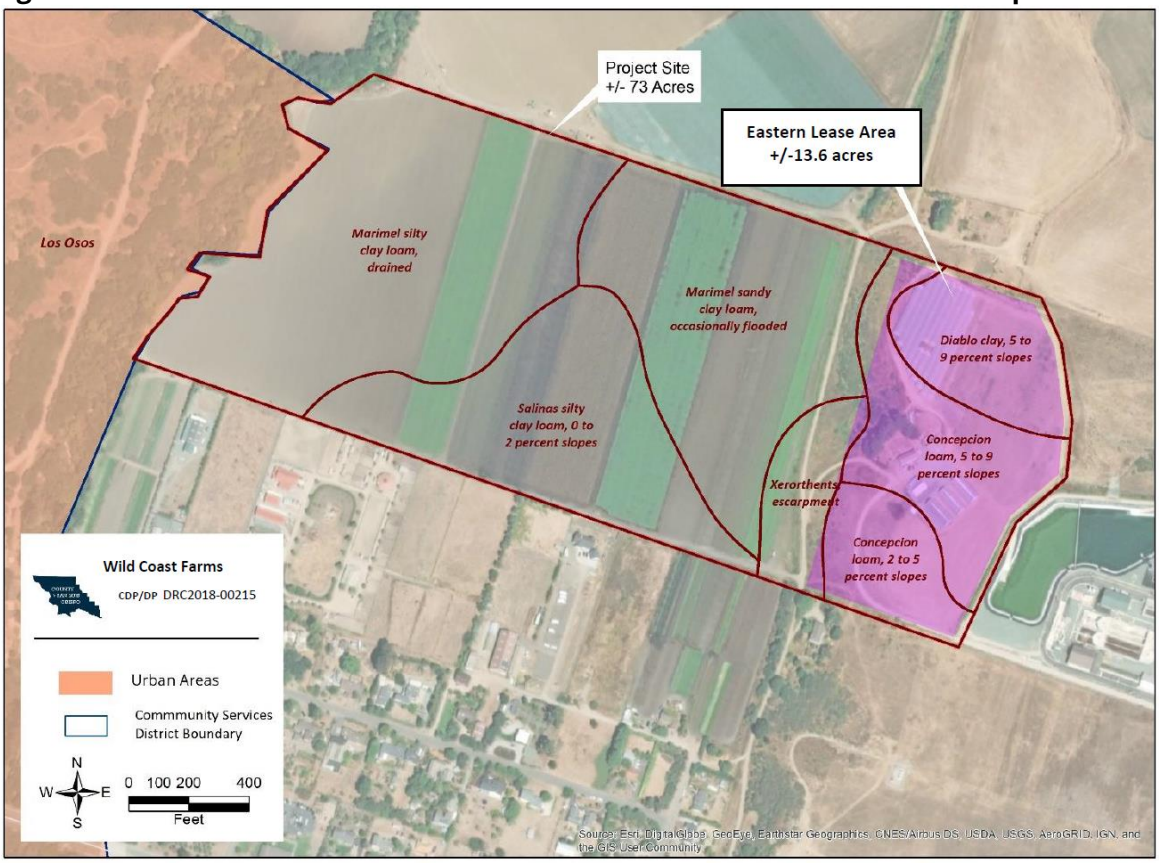
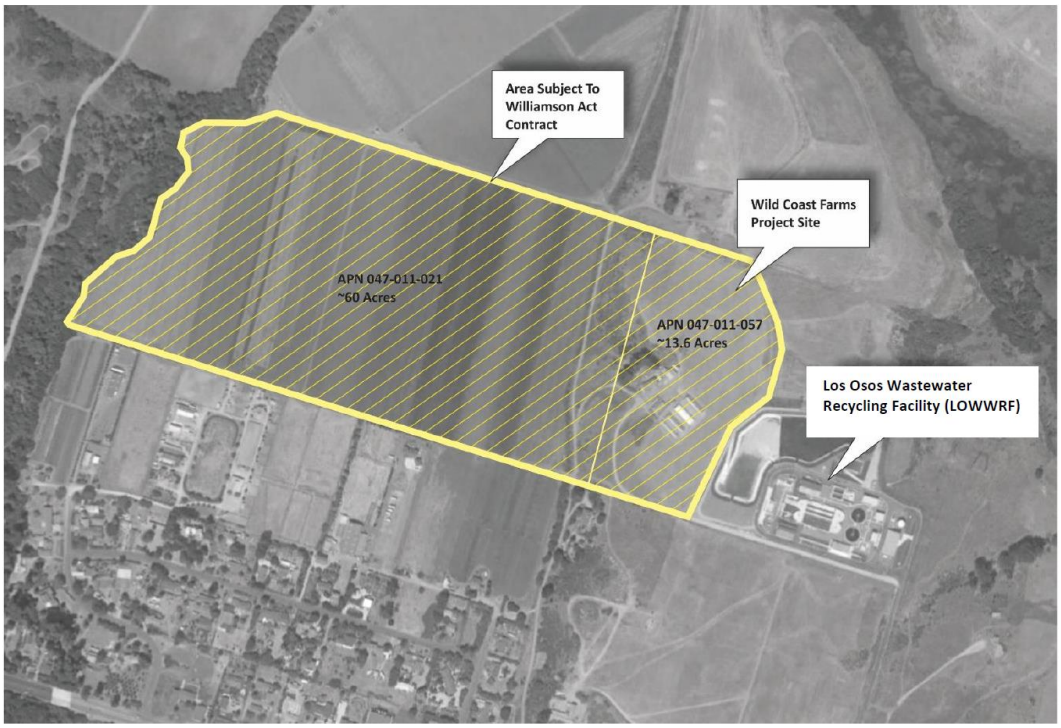


Figure 12 -- Areas Subject to an Active Williamson Act Contract



and capable of, growing a crop of trees of a commercial species used to produce lumber and other forest products, including Christmas trees. The Eastern Lease Area does not contain any native tree cover.

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 would result in the construction of two new buildings and parking areas that would cover about 0.8 acres of the Concepcion loam soil with 5 to 9 percent slope. The buildings would be placed on the soil with a slab foundation, thereby permanently converting 3.0 acres of Farmland of Statewide importance. The area of disturbance is located in the center of the site adjacent to the existing greenhouses in an area where fill material from the LOWWRF was placed. According to the Final EIR prepared for the LOWWRF (Michael Brandman Associates, 2014), the fill material consisted of Concepcion loam with a 2-5% slope. These soils are considered *Farmland of Local Importance* by the FMMP and *Farmland of Statewide* Importance by Table SL-2 of the Conservation and Open Space Element.

As shown in Table 5, the project will result in the permanent conversion of 3.0 acres of *Farmland of Local Importance* to non-agricultural uses (greenhouse buildings, flowering building, roadway, and parking area. The greenhouses will be placed on slab foundations rendering these areas unavailable for agricultural crop production.

Table 5 – Impacts To Important Farmland Classifications

Soil Name	Acres Converted to A Non-Agricultural Use	FMMP Classification	COSE Classification
Concepcion loam, 2% to 5% Slope	0.30	Farmland of Local Importance	Farmland of Statewide Importance
Concepcion loam, 5% to 9% Slope	2.70	Farmland of Local Importance	Farmland of Statewide Importance
Diablo clay, 5% to 9% Slope	0.00	Farmland of Local Importance	Prime Farmland
Total:	**3.00**		

Source: Farmland Mapping and Monitoring Program 2016, San Luis Obispo County Conservation and Open Space Element, Table SL-2

In order to be shown on FMMP's maps as Prime Farmland or Farmland of Statewide Importance, land must have been used for irrigated agricultural production at some time during the four years prior to FMMP designation, and the soil must meet the physical and chemical criteria for Prime Farmland or Farmland of Statewide Importance as determined by the U.S. Department of Agriculture Natural Resources Conservation Service (NRCS). In this case the soils of the Eastern Lease Area do not meet either of these criteria.

The Eastern Lease Area does not contain land classified as Prime Farmland, Unique Farmland, or Farmland of Statewide Importance pursuant to the FMMP, However, the project will permanently convert about 3.0 acres of Farmland of Statewide importance as classified by the Table of Important Agricultural Soils (Table SL-2) provided in the COSE (CDOC 2016). This impact is considered *less than significant* because:

- Agricultural activities on the remaining portions of the cannabis lease site and the parent parcel cultivated with irrigated row crops will be unaffected by cannabis activities.
- The project was referred to the Department of Agriculture for review and comment. The department reviewed the project for potential impacts to on-site and off-site agricultural resources and recommended standard land use permit conditions of approval that ensure best management practices (BMPs) will be followed (January 30, 2020 memo from Lynda Auchinachie). No significant impacts of off-site agricultural operations were identified.
- The project is consistent with the following policies of the Agriculture Element with regard to the protection and preservation of productive agricultural land:

  AGP8: Intensive Agricultural Facilities.

  a. Allow the development of compatible intensive agricultural facilities that support local agricultural production, processing, packing, and support industries.

  b. Locate intensive agricultural facilities off of productive agricultural lands unless there are no other feasible locations. Locate new structures where land use compatibility, circulation, and infrastructure capacity exist or can be developed compatible with agricultural uses.

  AGP14: Agricultural Preserve Program.

  a. Encourage eligible property owners to participate in the county's agricultural preserve program.

Discussion: The project site is subject to an active Williamson Act contract. As discussed below under item (b), the APRC determined that the project is consistent with the terms of the contract.

AGP18: Location of Improvements.

a. Locate new buildings, access roads, and structures so as to protect agricultural land.

Discussion: Cannabis cultivation is not considered agricultural crop production. However, the proposed greenhouses and flowering building will be located in an area where they would not restrict ongoing agricultural operations on the remainder of the cannabis lease site or the irrigated row crops cultivated on the remainder of the parent parcel.

AGP24: Conversion of Agricultural Land.

a. Discourage the conversion of agricultural lands to non-agricultural uses through the following actions:

1. Work in cooperation with the incorporated cities, service districts, school districts, the County Department of Agriculture, the Agricultural Advisory Liaison Board, Farm Bureau, and affected community advisory groups to establish urban service and urban reserve lines and village reserve lines that will protect agricultural land and will stabilize agriculture at the urban fringe.

Discussion: The project site is located about one-half mile outside the urban reserve and urban fringe of the community of Los Osos.

2. Establish clear criteria in this plan and the Land Use Element for changing the designation of land from Agriculture to non-agricultural designations.

3. Avoid land redesignation (rezoning) that would create new rural residential development outside the urban and village reserve lines.

4. Avoid locating new public facilities outside urban and village reserve lines unless they serve a rural function or there is no feasible alternative location within the urban and village reserve lines.

Discussion: The project is consistent with the allowable land uses in the Agriculture land use category and does not propose a change in the land use designation.

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

Cannabis activities are a conditionally allowable use within the Agriculture land use category. Therefore, the project will not conflict with existing zoning for agricultural use.

As discussed in the setting, the Eastern Lease Area is a 13.6 acre portion of a 73.5 acre parcel governed by a Williamson Act contract. Accordingly, the project was referred to the Agricultural Preserve Review Committee (APRC) for review and comment. The APRC considered the project at their meetings of September 23, 2019 and February 3, 2020 and determined that the project is consistent with the County's Land Conservation Act Rules and Procedures. The APRC determined that the following site specific and other factors collectively reduce the risks of incompatibility associated with pesticide applications onsite or on nearby agricultural lands:

- The closest orchard (avocado) is located roughly one mile east, a sizeable distance. In addition, in the project vicinity, prevailing winds are typically west to east;

- Proposed cannabis activities are limited to indoor structures only and will be within a closed system;
- The project's LCA contract is located on roughly 73.5 acres. The topographical separation between the lower portion of the site (where irrigated vegetable crops are grown) and the upper portion (where cannabis is proposed) reduces the risk associated with pesticide applications;
- In terms of the adjacent row crops' potential compatibility with the proposed cannabis operation, although a smaller operation, cannabis has been grown onsite previously under the County's Abeyance Resolution. There does not appear to be a record of complaints regarding the site's compatibility with the portion of the site used for row crops; and
- The County has developed a condition of approval that would require a cannabis applicant to release, waive, discharge, hold harmless and covenant not to sue for any claim, loss or damage to cannabis or cannabis products related to an offsite agricultural operation. The applicant would be required to comply with this condition.

The project was also referred to the Agricultural Commissioner's Office for review and comment. Their responses dated May 15, 2019, January 30, 2020, March 16, 2020, include recommended conditions of approval that address, among other things, conformance with NRCS best practices, pesticide management, and water conservation.

CZLUO section 23.04.050 establishes permit requirements and standards for non-agricultural uses in the Agriculture category consistent with Local Coastal Plan (LCP) Agricultural policies 3, 4, and 5. Item b of this ordinance section defines a "Supplemental Non-agricultural Uses" as "*uses allowed by Coastal Table O in the Agriculture category that are not directly related to the principal agricultural use on the site*." Cannabis cultivation is not considered a "supplemental non-agricultural use" within the meaning prescribed by CZLUO 23.04.050 because:

- Although cannabis cultivation is not considered crop production, it is nonetheless treated as an agricultural use by the CZLUO.
- Cannabis cultivation and cannabis nurseries are both allowed in the Agriculture land use category on prime and non-prime soils subject to the provisions of the CZLUO.
- The County's rules for Agricultural Preserves states that cannabis activities are considered compatible uses with an active Williamson Act contract.
- For the purposes of licensing cannabis cultivation sites, the State considers cannabis an "agricultural product".

With incorporation of the conditions recommended by the Agriculture Department and APRC, project impacts associated with potential conflicts with existing zoning for agricultural use, or Williamson Act contract will 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; therefore, *no impacts would occur*.

Initial Study – Environmental Checklist

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

The Eastern Lease Area does not consist of forest land as defined by the Public Resources Code. No changes are proposed to the Western Lease Area.

(e) *Involve other changes in the existing environment which, due to their location or nature, could result in the conversion of farmland to a non-agricultural use or the conversion of forest land to a non-forest use?*

The project would result in temporary noise and air quality emissions during the construction phase and a marginal increase in operational traffic and odor emissions. Project operations would not have the potential to substantially affect or result in the conversion of surrounding agricultural or forest land. Therefore, potential impacts associated with other changes that could result in the conversion of Farmland or forest land would be *less than significant.*

Conclusion

No significant impacts to agricultural resources would occur.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.

III. AIR QUALITY

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Where available, the significance criteria established by the applicable air quality management district or air pollution control district may be relied upon to make the following determinations. Would the project:					
(a)	Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☒	☐
(b)	Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☐	☐	☒	☐
(c)	Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☒	☐
(d)	Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	☒	☐

Setting

San Luis Obispo County Clean Air Plan

The San Luis Obispo County Air Pollution Control District (SLOAPCD) 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 particulate matter 10 micrometers or less in diameter (PM_{10}). The CAP presents a detailed description of the sources and pollutants that 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. In order to be considered consistent with the 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 Criteria Pollutant 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. This handbook includes established thresholds for both short-term construction emissions and long-term operational emissions. The APCD Handbook includes screening criteria to determine the significance of project impacts. According to the Handbook, a project with grading in excess of 4.0 acres and moving 1,200 cubic yards of earth per day can exceed the construction threshold for respirable particulate matter (PM_{10}).

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. The SLOAPCD has established thresholds of significance for each of these contaminants.

The assessment of operational impacts is focused primarily on the indirect emissions (i.e., motor vehicles) associated with residential, commercial, and industrial development. Certain types of projects can also include components that generate direct emissions, such as power plants, gasoline stations, dry cleaners, and refineries (referred to as stationary source emissions). Table 1-1 of the APCD's CEQA Handbook provides screening criteria based on the size of different types of projects that would normally exceed the operational thresholds of significance for greenhouse gases and ozone precursors. The list of project categories in Table 1-1 is not comprehensive and does not include cannabis-related activities. However, operational impacts are focused primarily on the indirect emissions associated with motor vehicle trips associated with development. For example, a project consisting of 99 single family residences generating 970 average daily vehicle trips would be expected to exceed the 25 lbs/day operational threshold for ozone precursors. A project consisting of 54 single family residences generating 529 average daily motor vehicle trips would be expected to exceed the threshold for greenhouse gas emissions.

The APCD has also estimated the number of vehicular round trips on an unpaved roadway necessary to exceed the 25 lbs/day threshold of significance for the emission of particulate matter (PM10). According to the APCD estimates, an unpaved roadway of one mile in length carrying 6.0 round trips would likely exceed the 25 lbs/day PM10 threshold.

The prevailing winds in the project vicinity are from the north and west (onshore) during the daylight hours and are slightly offshore at night. The nearest offsite residences are upwind to the west and southwest.

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 to the proposed cannabis activities is a single-family residence located approximately 480 feet southwest of the proposed cannabis greenhouses.

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 San Luis Obispo 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. Based on SLOAPCD's NOA Screening Map, the Eastern Lease Area where cannabis activities are proposed is not located in an area identified as having potential for soils containing NOA.

Developmental Burning

As of February 25, 2000, the APCD prohibits developmental burning of vegetative material within San Luis Obispo County. However, under certain circumstances where no technically feasible alternatives are available, limited developmental burning under restrictions may be allowed. Any such exception must complete the following prior to any burning: APCD approval; payment of fee to APCD based on the size of the project; and

issuance of a burn permit by the APCD and the local fire department authority. As a part of APCD approval, the applicant shall furnish them with the study of technical feasibility (which includes costs and other constraints) at the time of application.

Thresholds of Significance for Construction Activities. The APCD's CEQA Handbook establishes thresholds of significance for construction activities (Table 6). According to the Handbook, a project with grading in excess of 4.0 acres and/or a project that will move 1,200 cubic yards of earth per day can exceed the construction threshold for respirable particulate matter (PM_{10}). In addition, a project with the potential to generate 137 lbs per day of ozone precursors (ROG + NOx) or diesel particulates in excess of 7 lbs per day can result in a significant impact.

Table 6 – Thresholds of Significance for Construction

Pollutant	Threshold1		
	Daily	Quarterly Tier 1	Quarterly Tier 2
ROG+NOx (combined)	137 lbs	2.5 tons	6.3 tons
Diesel Particulate Matter	7 lbs	0.13 tons	0.32 tons
Fugitive Particulate Matter (PM10), Dust2		2.5 tons	
Greenhouse Gases (CO2, CH4, N2O, HFC, CFC, F6S)	Amortized and Combined with Operational Emissions		

Source: SLO County APCD CEQA Air Quality Handbook, page 2-2.
Notes:

1. Daily and quarterly emission thresholds are based on the California Health & 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.

Thresholds of Significance for Operations. Table 1-1 of the APCD's CEQA Handbook provides screening criteria based on the size of different types of projects that would normally exceed the operational thresholds of significance for greenhouse gases and ozone precursors. The list of project categories in Table 1-1 is not comprehensive and does not include cannabis-related activities. However, operational impacts are focused primarily on the indirect emissions associated with motor vehicle trips associated with development. For example, a project consisting of 99 single family residences generating 970 average daily vehicle trips would be expected to exceed the 25 lbs/day operational threshold for ozone precursors. A project consisting of 54 single family residences generating 529 average daily motor vehicle trips would be expected to exceed the threshold for greenhouse gas emissions.

The APCD has also estimated the number of vehicular round trips on an unpaved roadway necessary to exceed the 25 lbs/day threshold of significance for the emission of particulate matter (PM10). According to the APCD estimates, an unpaved roadway of one mile in length carrying 6.0 round trips would likely exceed the 25 lbs/day PM10 threshold.

The prevailing winds in the project vicinity are from the north and west (onshore) during the daylight hours and are slightly offshore at night. The nearest offsite residences are upwind to the southwest.

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 8 full-time regular employees and no seasonal employees. The project would likely draw from the local labor pool and would not require a significant number of 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. The voluntary commute options program targets employers in the county with more than 20 full time employees; because the project would employ up to a maximum of 8 employees, this program would generally not be applicable to the project. The project would not conflict with regional plans for transit system or bikeway improvements. 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.

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 and operation of the project would result in emissions of ozone precursors including reactive organic gasses (ROG) and nitrous oxides (NO_X) as well as fugitive dust emissions (PM_{10}). The project was referred to the APCD for review and comment. In their response (Vince Kirkhuff, March 26, 2019), the District has concluded that project construction related and operational emissions will fall below APCD thresholds of significance.

Construction Related Emissions

Based on the project description, the project will be moving less than 1,200 cubic yards/day of material and will result in an area of disturbance of less than four acres. Therefore, construction related emissions will fall below the APCD general thresholds triggering construction-related mitigation and are considered *less than significant*.

Operation-Related Emissions

According to the trip generation analysis prepared for this project (Central Coast Transportation Consulting, October 24, 2018) the project is expected to generate 14 average daily motor vehicle trips.

As discussed above, a project that generates less than 529 average daily motor vehicle trips will likely generate emissions that fall below the threshold of significance for ozone precursors and greenhouse gas emissions.

Motor vehicle access to the Eastern Lease Area where cannabis activities are proposed is provided from the northerly extension of Clark Valley Road which is paved from LOVR to the LOWWRF. An all-weather decomposed granite roadway extends westward about 950 feet (0.18 miles) from Clark Valley Road to the project site; from there, the remaining 740 feet (0.14 miles) to the proposed cannabis facilities is unpaved and will be provided with an all-weather surface. According to APCD estimates, an unpaved roadway of 740 feet would need to carry about 43 average daily trips to exceed the PM10 threshold. Therefore, the 14 average daily motor vehicle trips generated by the project is not expected to exceed the PM10 emissions threshold. Lastly, in accordance with CZLUO Section 23.08.418 D.4., the project will be conditioned to provide a mitigation plan for continuing dust control from the property line to the nearest County-maintained road.

Overall, impacts related to exceedance of federal, state, or SLOAPCD ambient air quality standards due to operational activities would be *less than significant and less than cumulatively considerable*.

(c) Expose sensitive receptors to substantial pollutant concentrations?

Sensitive receptors are people or other organisms that may have a significantly increased sensitivity or exposure to air pollution by virtue of their age and health (e.g. schools, day care centers, hospitals, nursing homes), regulatory status (e.g. federal or state listing as a sensitive or endangered species), or proximity to the source. The nearest offsite residence is about 480 feet to the southwest. Residences may be occupied by sensitive receptors who could be exposed to diesel particulates and fugitive dust from construction activities. However, construction of the greenhouses and parking areas is not expected to require the use of large diesel-powered construction equipment or significant amounts of grading. Therefore, potential impacts to sensitive receptors are considered *less than significant*.

According to the APCD CEQA Air Quality Handbook, Naturally Occurring Asbestos (NOA) has been identified as a toxic air contaminant by the California Air Resources Board (CARB). Under the CARB Air Toxics Control Measure (ATCM) for Construction, Grading, Quarrying, and Surface Mining Operations, prior to any grading activities a geologic evaluation should be conducted to determine if NOA is present within the area that will be disturbed. If NOA is not present, an exemption request must be filed with the District. If NOA is found at the site, the applicant must comply with all requirements outlined in the Asbestos ATCM. This may include development of an Asbestos Dust Mitigation Plan and an Asbestos Health and Safety Program for approval by the APCD. Based on the APCD on-line map of potential NOA occurrence, the Eastern Lease Area where cannabis activities are proposed does not lie in the area where a geologic study for the presence of NOA is required.

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

The project includes indoor 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 and these odors could disperse through the air and be sensed by surrounding receptors.

The prevailing winds in the project vicinity are from the west (onshore) during the daylight hours and are slightly offshore at night. The nearest offsite residence is a ranch house about 480 feet to the southwest from proposed cannabis activities; a higher concentration of residences on lots ranging in size of 2 – 5 acres is located about 1,700 feet slightly upwind and to the southwest of proposed cannabis activities. The LOWWRF is located adjacent to the Eastern Lease Area downwind and to the east. The developed portion of the Los Osos Valley Memorial Park is located about 1,500 feet to the south of proposed cannabis activities.

As required by CZLUO Section 23.08.418 d. 8., all structures for indoor cannabis cultivation are required to be equipped and/or maintained with sufficient ventilation controls (e.g. carbon scrubbers) to eliminate nuisance odor emissions from being detected offsite. Accordingly, the indoor cultivation and ancillary processing facilities will employ air scrubbing technology. Carbon scrubbers, for example, 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). The nursery greenhouses would not include odor control technology since these greenhouses would not grow flowering cannabis plants; they would only grow seeds and immature cannabis plants. Flowering cannabis plants are associated with cannabis odors. 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.

Conclusion

Potential impacts related to air quality are considered be less than significant. The project will be conditioned to comply with the dust mitigation requirements required by CZLUO 23.08.418 d.8.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.

Initial Study – Environmental Checklist

IV. BIOLOGICAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☒	☐	☐
(b)	Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	☐	☒	☐	☐
(c)	Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☒	☐	☐
(d)	Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☒	☐
(e)	Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☒
(f)	Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☒	☐

Setting

The following information is based on a Biological Resource Assessment (BRA) prepared for the Eastern Lease Area by Kevin Merk Associates in March, 2019. KMA's Principal Biologist Kevin Merk conducted field reconnaissance of the property on multiple occasions including October 20 and November 7, 2018. An additional site survey was conducted on January 11, 2019 following a series of rain events to assess site drainage.

A list of special-status plants and wildlife potentially occurring on the Eastern Lease Area was developed based on the biologist's knowledge of the region, review of biological reports prepared from the area, and a query of the California Natural Diversity Database maintained by the California Department of Fish and Wildlife (CDFW reviewed in November 2018 and again in January 2019). In addition, the California Native Plant Society's On-Line Inventory of Rare and Endangered Vascular Plants of California (CNPS; *Inventory)* was reviewed to ensure a thorough list of rare plants was developed. The CNDDB search range included three U.S. Geological Survey 7.5-minute topographic quadrangles: 1) Morro Bay North; 2) Morro Bay South; and 3) Cayucos. This was determined to be a sufficient search radius around the site to identify special status resources that could potentially be present given the geographic proximity of the site. It should be noted that the CNDDB and *Inventory* are based solely on reported occurrences and do not constitute an exhaustive inventory of all special-status species that occur in a given area and thus, serve only as predictive tools. Special-status species included on the target list are those species known to occur in coastal habitats in the project region and were the focus of the survey efforts.

The investigation also evaluated the site for the presence of Environmentally Sensitive Habitat Area (ESHA) pursuant to the California Coastal Act. A variety of plant communities within the Coastal Zone meet the definition of ESHA (Coastal Act Section 30107.5), including riparian areas, wetlands, maritime chaparral, native grasslands and special status species habitat. The California Coastal Commission (CCC), with technical assistance from the CDFW, is responsible for protecting ESHA within the Coastal Zone, and have required local agencies such as the County of San Luis Obispo to develop policies aimed at protecting and preserving these areas. For wetland habitats, the CCC and CDFW rely on the USFWS wetland definition and classification system developed by Cowardin et a1. (1979) titled, *Classification of Wetlands and Deep Water Habitats of the United States,* as the methodology for wetland determinations.

Onsite Habitats

The Eastern Lease Area footprint has been disturbed regularly, and during the biological field work consisted of tilled bare soils followed by growth of a cover crop containing weedy annual grasses and forbs to increase soil fertility. A grove of Monterey cypress (*Hesperocyparis macrocarpa*) trees are located near the existing manufactured home in the west-central portion of the Eastern Lease Area. The field surveys identified Agriculture, Monterey Cypress, and Ruderal/Disturbed as the primary habitat types onsite. The Eastern Lease Area does not contain any natural drainages onsite, and during the development of the LOWWRF, a series of small drainage swales were constructed in the farm field to help drainage. Los Osos Creek and a designated Sensitive Resource Area are located along the western perimeter of the Western Lease Area. No cannabis activities are proposed within the Western Lease Area. The proposed cannabis cultivation area is separated from Los Osos Creek on the west by a distance of about 0.43 mile, and Warden Lake and Creek, to the east is located approximately 0.5 to 0.2 miles away.

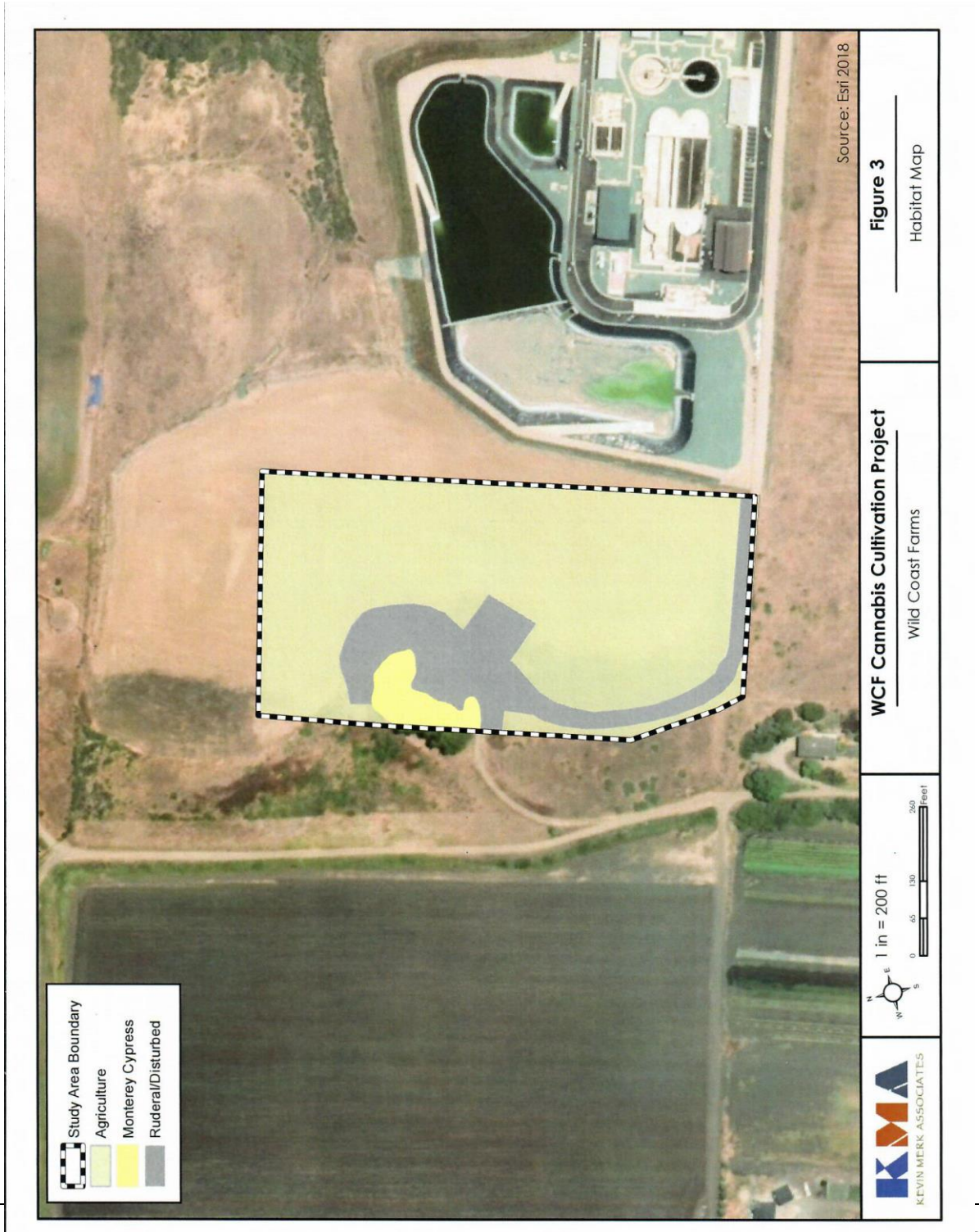
As discussed in the project description, the area of disturbance is located in the center of the Eastern Lease Area adjacent to the existing greenhouses in an area where fill material from the LOWWRF was placed. According to the Final EIR prepared for the LOWWRF (Michael Brandman Associates, 2014), the fill material consisted of Concepcion loam with a 2-5% slope.

Initial Study – Environmental Checklist

Eastern Lease Area Habitats are summarized below and shown on Figure 13.

Agriculture. The Eastern Lease Area has been affected by agricultural activities for many years. At the time of the fall surveys, the farm field was disked and no vegetation was present. Greenhouse areas were maintained and the

Figure 13 -- Eastern Lease Area Habitats



only vegetation observed was along the road margins or where disking had not occurred. Grasses observed during the surveys included wild oats (*Avena barbata*), ripgut brome (*Bromus diandrusy*, soft chess (*Bromus hordeacous*), and red brome (*Bromus madritensis* ssp. rubens). Broad-leaved forbs observed onsite included red-stemmed filaree (*Erodium cicutariumi*, mallow (*Malva nicaaensiss*, common plantain (*Plantago lanceolata*), summer mustard (*Hirschfeldia incana*), and prickly sow thistle (*Sonchus asper*). Following the start of the winter rain season, the seeded cover crop germinated in the agricultural area and species such as vetch and fava/bell beans (Vida spp.) were present along with a mix of grasses. In the fall of 2019 a portion of the Eastern Lease Area was planted with a commercial hemp crop (Figure 3).

While birds such as western gull (*Larus occidentalisi*, red-tailed hawk (*Buteo jamaicensis*) and turkey vulture (*Cathartes aura*) were observed flying over the Eastern Lease Area, the only wildlife observed onsite was pocket gopher (*Thomomys bottae*).

Monterey Cypress. A windrow of Monterey cypress trees is present within the Eastern Lease Area to the west of the existing manufactured residence. Large trees can provide habitat for numerous birds in urban and agricultural areas, but the trees were searched and no nest sites, including raptor stick nests, were observed. Still, the windrow could provide perching and foraging habitat for numerous bird species, as well as potentially support nesting activities during the spring and summer nesting season.

Ruderal/Disturbed. The disturbed parts of the Eastern Lease Area were composed of a gravel road, bare soils, and existing structures. This habitat type is not a native plant community, and is not described by the vegetation classification systems used in this study since it is an anthropogenic influenced land type. Ruderal or disturbed areas on the property were mostly bare, and contained scattered occurrences of plants characteristic of the developed areas. Because of the highly disturbed nature of this habitat and regular human presence, it is of marginal value to wildlife.

Special-Status Species

For the purpose of this analysis, special status species are those plants and animals listed, proposed for listing, or candidates for listing as threatened or endangered by the USFWS under the federal Endangered Species Act (ESA); those listed or proposed for listing as rare, threatened, or endangered by the CDFW under the California Endangered Species Act (CESA); animals designated as "Species of Special Concern," "Fully Protected," or "Watch List" by the CDFW; and plants occurring on California

Rare Plant Ranks (CRPR) 1,2,3 and 4 developed by the CDFW working in concert with the CNPS. The specific code definitions are as follows:

- lA = Plants presumed extinct in California;
- lB.l = Rare or endangered in California and elsewhere; seriously endangered in California (over 80% of occurrences threatened/high degree and immediacy of threat);
- lB.2 = Rare or endangered in California and elsewhere; fairly endangered in California (20-80% occurrences threatened);
- lB.3 = Rare or endangered in California and elsewhere, not very endangered in California «20% of occurrences threatened or no current threats known);
- 2 = Rare, threatened or endangered in California, but more common elsewhere;
- 3 = Plants needing more information (most are species that are taxonomically unresolved; some species on this list meet the definitions of rarity under CNPS and CESA);

- 4.2 = Plants of limited distribution (watch list), fairly endangered in California (20-80% occurrences threatened); and
- 4.3= Plants of limited distribution (watch list), not very endangered in California.

Hydrology

The Eastern Lease Area is a flat field with no natural drainage features present. A series of swales were constructed in the agricultural field to assist with surface drainage. The closest drainage features with a defined bed and bank are located offsite on the LOWWRF site to the east, and referred to as drainages W-1 and W-2 in the LOWWRF Environmental Impact Report (Michael Brandman Associates, 2008). These off-site drainages eventually flow into Warden Creek, which is separated from the property by about 0.2 miles. Los Osos Creek is located directly west of the Western Lease Area.

Discussion

(a) *Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?*

Special-Status Plants

No special status plants or plant communities were observed within the study area during the 2018 and 2019 field work. Although the surveys were conducted outside the bloom period of many of the rare annual plants known to occur in the area, the active farming on the Eastern Lease Area has removed all native habitat and there is no potential for rare plants to occur within the area proposed for cannabis activities. The CNDDB identified numerous special-status plants and plant communities of special concern that have been found to occur within the general vicinity of the Eastern Lease Area, many of which are documented from habitats associated with coastal sand dunes or serpentine based soils. Special status plant communities known to occur in the area include: coastal dune scrub, coastal foredune, coastal and valley freshwater marsh, maritime chaparral, riparian and serpentine bunchgrass. None of these special status plant communities occur within the Eastern Lease Area. Therefore, the impacts to special status plant species would be a less than significant.

Special-Status Animals

The CNDDB search conducted for this report contains records of numerous special status animal species within five miles of the Eastern Lease Area. Nearly all of these species have highly specialized habitat requirements that are not present on the Eastern Lease Area. The federal threatened California red-legged frog (*Rana draytonii*) for instance is a highly aquatic amphibian that is known to occur in nearby drainage features, but the Eastern Lease Area is situated on a flat level site surrounded by farmland.

The BRA was referred to the California Department of Fish and Wildlife (CDFW) and to the United States Fish and Wildlife Service (USFWS). In their letter of April 10, 2019, the USFWS stated that, according to CNDDB (2019) records, there are three records of California Red-legged Frog (CRLF) within 1.5 miles north of the Eastern Lease Area. Warden Creek, about 0.3 miles north of the Eastern Lease Area, provides contiguous aquatic habitat to two of the three observations. Some CRLF move long distances over land between water sources during winter rains. For example, adult CRLF have been documented to move more than 2 miles in northern Santa Cruz County without apparent regard to topography, vegetation type, or riparian corridors (Bulger et al. 2003). Most of these overland movements occur at night.

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

Other aquatic reptiles and fish (i.e., western pond turtle, two-striped garter snake, tidewater goby, and southern steel head) are, therefore, not expected to occur within the study area or be affected by the proposed project based on the lack of suitable habitat.

Since the Eastern Lease Area is highly disturbed from years of cultivation and is composed of heavy clay soils, habitat for species such as the legless lizard (*Anniella pulchra*) and coast horned lizard (*Phrynosoma blainvillii*) is not present, and therefore reptiles known to occur in coastal scrub habitats are not expected to occur. Given the proximity of the site to the Pacific Ocean, the CNDDB search identified numerous coastal species that are known from coastal sand dunes to the west and southwest of the study area. Species such as the California black rail (*Lateral/us jamaicensis cotumiculusy*, Morro Bay blue butterfly (*ilcaricio icarioides moroensis*), and western snowy plover (*Charadrius nivosus* ssp. nivosus) are also not expected to occur onsite based on the lack of suitable habitat.

Monarch butterflies (*Danaus plexippus*) are known to overwinter in the Los Osos-Morro Bay area further west of the site. The Monterey cypress trees on the study area were searched for monarch butterflies during the fall and winter surveys, and none were observed, which confirmed that this windrow of trees did not have sufficient structure or proximity to food and water sources to create the micro-climate needed to provide suitable autumnal congregation or overwintering habitat. Windrows lack the more complex structure needed to protect butterflies and buffer them from wind and cold temperatures during winter storm events.

In 2018, a petition to list four species of bumblebee as endangered was received by the California Fish and Game Commission, and CDFW was tasked with evaluating available scientific information to determine if listing was warranted. The four bumble bee species are: Crotch bumble bee (*Bombus crotchii*), Franklin's bumble bee (*Bombus franklini*), Suckley cuckoo bumble bee (*Bombus suckleyi*), and western bumble bee (*Bombus occidentalis occidentalis*). CDFW's Evaluation Report was completed in April 2019 and it was determined that, based on information in the petition, the four species are warranted for listing as endangered under the California Endangered Species Act (CESA). The Fish and Game Commission accepted the petition for consideration at their June 2019 meeting, and CDFW is now completing additional analysis to determine if the species will meet the listing criteria. During the approximately one-year review period, the four bumble bee species are identified as candidate species as defined by Section 2068 of the Fish and Game Code, and thereby are afforded all legal protections under CESA consistent with listing as endangered. CDFWs final evaluation report is expected in late December, 2020.

Although no records of these four species were identified in the vicinity of the Eastern Lease Area from a query of the California Natural Diversity Database (CNDDB) conducted as part of the BRA, two of these species, the Crotch bumble bee and western bumble bee, historically occurred in the San Luis Obispo County area. Given the four species are candidates for listing, a supplemental assessment of potential project impacts to these species was prepared by Kevin Merk Associates, LLC in November 2020. That study concluded that existing activities on the Eastern Lease Area preclude the establishment of grassland

habitat with the necessary floral resources that could support the key habitat requirements of these two bumble bee species. However, because the Crotch bumble bee and western bumble bee are known to have occurred historically in the general area, and given the extensive grassland and scrub habitats in the region, it is possible that individuals (particularly of the Crotch bumble bee, which is still known to occur in this area) could be present within the Eastern Lease Area. They could also occur in offsite habitats and fly over and potentially forage on, or adjacent to, the proposed project area. As stated above, the ongoing and historic surface disturbance from agricultural operations onsite would remove nesting and overwintering habitat of the western bumble bee and Crotch bumble bee from the proposed project area. Given the current land uses on the project site, it is unlikely that these two species could nest or overwinter in the proposed area of disturbance, but fallow areas or agricultural crops could potentially contain individuals foraging onsite at the time project activities commence. As a result, project impacts to bumblebee are considered *less than significant with mitigation*.

Other invertebrate species with known occurrences in the Los Osos area include the federally endangered Morro shoulderband snail (*Helminthoglypta walkeriana*; MSS). The MSS is associated with coastal dune and coastal sage scrub habitats occurring on sandy soils (Baywood fine sands) around the Los Osos and Morro Bay area. Native plant species associated with MSS include mock heather (*Ericomeria ericoidesy*, coast buckwheat *Eriogonum parvifolium*), dune bush lupine (Lupin us chamissonisy, deerweed (Acmispon glaber), California croton (*Croton californicus*), seaside golden yarrow (*Eriophyllum staechadifoliumi*, black sage (*Salvia mellifera*) and California sagebrush (*Artemisia californica*). MSS is also commonly found in association with non-native plant species such as veldt grass (*Ehrharta calycina*) and ice plant (*Carpobrotus chiloensis* and C. edulis) that have overtaken historic dune scrub areas. MSS has also been found in and around anthropogenic structures or debris/garbage (i.e.: building foundations, woodpiles, cardboard, etc.) in the Los Osos area.

The Eastern Lease Area does not support suitable MSS habitat since the site is an active agricultural area devoid of coastal dune scrub/sage scrub habitat, iceplant mats or clumps of veldt grass. In addition, the onsite soils are heavy clay, and the site is not adjacent to any potential habitat. Therefore, based on the lack of suitable habitat and soils, as well as separation from known occurrences by existing agriculture, the presence of built development, and a Monterey cypress windrow, MSS is not expected to occur onsite.

Although no special status wildlife were observed during the surveys, suitable habitat for nesting birds protected under the Migratory Bird Treaty Act and California Fish and Game Code was present in the Monterey cypress windrow in the western part of the Eastern Lease Area. No nests were observed during the field work, but birds could utilize the trees for perching, foraging and nesting activities. As discussed above, the trees will not be impacted by the proposed project and continued agricultural activities on the site are not expected to adversely affect birds that may attempt to nest in these trees in the future. However, construction activities could adversely impact migratory birds during the nesting season if present on the Eastern Lease Area. Mitigation Measure BIO-3 requires avoidance measures to be implemented during construction to protect nesting migratory birds. Potential impacts are considered *less than significant with mitigation*.

(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?

(b)(c) There are no wetlands or riparian resources on the Eastern Lease Area. The nearest offsite riparian and wetland resources are Los Osos Creek about 0.5 miles to the west (of the Eastern Lease Area), and Warden Lake and Creek, about 0.3 miles to the northeast. Although there are no wetland or riparian resources on the Eastern Lease Area, grading and construction activities would expose small areas of soil (about 2.2 total acres) which will increase the likelihood of soil erosion. Under rainy conditions, soil, fuels, hydraulic fluids, and associated materials could wash into the drainage swales constructed on the Eastern Lease Area where cannabis activities are proposed as part of the LOWWRF which could introduce compounds that could be toxic to aquatic organisms inhabiting riparian or wetland resources offsite. Mitigation Measures BIO-1 and BIO-2 require the preparation of drainage and erosion control plans to ensure the protection of downstream water quality. With implementation of the required drainage, sedimentation and erosion control plans, impacts to riparian and wetland resources would be *less than significant with mitigation*.

(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?

Maintaining connectivity among areas of suitable habitat is critical for dispersal, migration, foraging, and genetic health of plant and wildlife species. The Eastern Lease Area is in a semi-rural area of San Luis Obispo County, on the edge of the community of Los Osos, surrounded by agricultural operations and rural residences. Existing barriers to migration to and from non-developed portions of the Eastern Lease Area, particularly for wildlife, are influenced by the high density of agriculture and institutional uses in the region, which typically correlates with a high frequency of land manipulation, wildlife-exclusion fences, and pest management activities. As a result, natural habitat features are currently fragmented on three sides of the Eastern Lease Area, west, north and east. New localized barriers may be created by the conversion of the open agricultural fields to permanent or semi-permanent structures, which may deter general wildlife movement through the area; however, no large-scale passage barriers are proposed. Further, no passage barriers through aquatic features are proposed as a part of the project. Therefore, the proposed project is not expected to increase the overall level of fragmentation in the region.

As discussed above under item (a), CRLF do travel through upland habitats and may be crushed or trampled by vehicles and equipment if present on-site during construction. CRLF may use small mammal burrows for refuge and cover; excavation or crushing of any burrows during construction may result in direct impacts to this species. Implementation of mitigation measure BIO-4 will reduce potential impacts to *less than significant*.

Due to the semi-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 is consistent with relevant policies and ordinance protecting biological resources and does not propose the removal of any trees. *No impact* will occur.

(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 Eastern Lease Area is 0.5 miles east of the area covered by the Los Osos Habitat Conservation Plan (HCP) currently being prepared by the County. The HCP is part of an application by the County to obtain incidental take permits from the USFWS in accordance with the Federal Endangered Species Act. As the permittee, the County may issue Certificates of Inclusion to landowners and other project proponents that will confer take coverage for projects that impact one or more of the listed species. The HCP identifies the suite of activities that will be covered by the permits, their anticipated impacts to the listed species covered by the permits, and the steps that the County and other plan participants will take to avoid, minimize, and mitigate the impacts of the covered activities on the covered species which includes four narrowly endemic species:

- Morro Bay kangaroo rat (*Dipodomys heermanni morroensis*);
- Morro shoulderband snail (*Helminthoglypta walkeriana*);
- Morro Manzanita (*Arctostaphylos morroensis*); and
- Indian Knob mountainbalm (*Eriodictyon altissimum*).

Compliance with Mitigation Measures BIO-1, BIO-2, BIO-3, and BIO-4 would ensure the project is consistent with regional plans and policies for protecting sensitive species. Prior to site disturbance during the nesting bird season, the applicant is required to retain a qualified biologist to conduct a series of nesting bird surveys to identify the presence or absence of special-status species. In the event special-status species are identified within the Eastern Lease Area, the biologist shall identify avoidance and minimization measures, which may include obtaining additional permits from the USFWS, CDFW, or other agencies. Therefore, conflicts with regional plans or policies, or USFWS and CFDW regulations, would be *less than significant*.

Conclusion

With implementation of Mitigation Measures BIO-1 through BIO-4 potential impacts to biological resources would be less than significant.

Mitigation

BIO-1 **At the time of application for construction permits**, the applicant shall submit complete grading and drainage plans for review and approval in accordance with Section 23.05.040 (Drainage) of the CZLUO.

BIO-2 **At the time of application for construction permits**, the applicant shall submit complete erosion and sedimentation control plan for review and approval in accordance with Section 23.05.042 of the CZLUO.

BIO-3 **Pre-construction Survey for Sensitive and Nesting Birds.** If work is planned to occur between February 1 and September 15, a qualified biologist shall survey the area for nesting birds within one week prior to initial project activity beginning, including ground disturbance and/or vegetation

removal/trimming. If nesting birds are located on or near the proposed project site, they shall be avoided until they have successfully fledged, or the nest is no longer deemed active.

a. A 50-foot exclusion zone shall be placed around non-listed, passerine species, and a 250-foot exclusion zone will be implemented for raptor species. Each exclusion zone shall encircle the nest and have a radius of 50 feet (non-listed passerine species) or 250 feet (raptor species). All project activities, including foot and vehicle traffic and storage of supplies and equipment, are prohibited inside exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, or it has been determined by a qualified biologist that the young have fledged or that proposed project activities would not cause adverse impacts to the nest, adults, eggs, or young.

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

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

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

BIO-4 California Red-legged Frog (CRLF). The following measures shall be implemented to mitigate potential impacts to CRLF:

a. Site preparation, including vegetation clearance, soil disturbance, and grading shall not occur: (a) during the typical rainy season (November 1 to April 1), (b) during the nighttime (between 30 minutes before dusk and 30 minutes after dawn), (c) during an actual or predicted rain event of 0.25-inches or greater or within 24 hours after an actual rain event, and (d) near isolated pools.

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

c. The Management Plan shall address items including, but not limited to: (a) monitoring that will occur during construction related activities (e.g., monitoring duration, time, frequency), (b) procedures if a California Red Legged Frog (CRLF) or other sensitive species is encountered during construction related activities, (c) pre-construction worker training, (d) the construction schedule proposed to minimize impacts to sensitive species (i.e., completing construction activities closest to potential CRLF habitat first), and (e) the filing of a post-construction report "lessons learned" on the effectiveness of the required measures.

d. Construction activities conducted during the wet season shall not occur: (a) during the nighttime (between 30 minutes before dusk and 30 minutes after dawn), or (b) during an actual or predicted rain event of 0.25-inches or greater, or within 24 hours after an actual rain event. All construction materials and equipment will be staged in the parking lot adjacent to the construction site at 2198 Los Osos Valley Road, CA. The applicant will complete construction activities closest to potential CRLF habitat (Warden Creek) first, followed by activities that are further from the potential habitat.

BIO-5 Pre-construction surveys for Crotch bumblebee (CBB) and Western bumblebee (WBB). The following actions are undertaken to avoid and minimize potential impacts to Crotch Bumble Bee and Western Bumblebee:

a. Pre-construction Surveys - The applicant shall retain a County-qualified biologist to conduct pre-construction survey(s) for CBB and WBB within suitable habitat (i.e. small mammal burrows, grassland areas, upland scrubs) on the project site. Survey(s) can be conducted over an extended period of time to document and establish the presence of the bees within the areas of disturbance.

b. CBB/WBB Take Avoidance - If the survey(s) establish the presence of CBB or WBB within the areas of disturbance, the applicant shall retain a qualified biologist to prepare a Biological Resources Management Plan (Management Plan) subject to review and approval of the Department in consultation with CDFW. The Management Plan shall include at least the following:

i. Avoidance measures to include a minimum 50-feet no-disturbance buffer from the documented location of CBB or WBB to avoid take and potentially significant impacts.

ii. If suitable habitat is present and ground-disturbing activities will occur during the overwintering period (October through February), the applicant, in coordination with the Department, shall consult with CDFW to identify specific measures to be undertaken to avoid take as defined by the California Endangered Species Act (CESA).

iii. Take Authorization - If CBB or WBB are detected prior to, or during project implementation, the applicant shall consult with CDFW to avoid take and/ or to obtain applicable take authorization.

Sources

See Exhibit A.

V. CULTURAL RESOURCES

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

Setting

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 that 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 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. There are no known historical resources within the nearby vicinity of the project site.

In the event of an accidental discovery or recognition of any human remains, Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations section 8304 (d) requires cannabis cultivation projects to immediately halt all ground-disturbing activities and implement section 7050.5 of the Health and Safety Code. California State Health and Safety Code Section 7050.5 and CZLUO Section 23.05.140 (Archaeological Resources) require that in the event of accidental discovery or recognition of any human remains, no further disturbances shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to California PRC Section 5097.98.

The Wild Coast Farms Cannabis Cultivation Project is located within an area of high archaeological sensitivity, the Los Osos locality. Accordingly, a Phase I Archaeological Survey was prepared for the project (Central Coast Archaeological Consultants (March, 2019). The following discussion is a summary of the findings and recommendations of that study.

Cultural Resources

Along the central California coast a suite of similar cultural changes evident in the archaeological record, and often related to local and regional environmental changes, has framed the local chronology into six periods which are described below.

Paleoindian - Millingstone Period (10,000 to 5500 cal BP). Once considered an anomaly characterized only by projectile points in private collections, the central coast now has a well-defined continuity of human coastal and nearshore adaptations over the past 10,000 years, with hints of occupation as early as 12,000 to 13,000 years ago. As suggested by the abundance of millings tones and the high density of shellfish remains, the collection and processing of seeds and shellfish were important economic pursuits during the early Holocene. Except for interior locations, early Holocene sites along the central California Coast have components that contain shellfish assemblages that are dominated by estuarine and rocky intertidal species and they contain a limited range of marine fish compared to later periods. Significant information from the Cross Creek-Diablo Canyon complex has expanded our understanding of local central coast habitats. Jones et al. (2008a: 195) suggest that by 10,000 years ago related, inter-dependent populations had distinctive settlement preferences, with inland people who made forays to the coast but specialized in hunting small game and collecting vegetal resources, and coastal inhabitants who exploited a wider variety of marine and terrestrial resources. To date, at least six coastal and pericoastal sites have radiocarbon dates Millingstone Period, some which extend into the Paleoindian Period.

Early Period (5500 to 3000 cal BP). The diachronic continuity of artifact assemblages and local adaptations led Greenwood (1972) and later Jones (1993) to apply Rogers's (1929) term "Hunting" Culture to Early, Middle, and Middle/Late Transition deposits along the central coast. The rise of new technology, particularly large quantities of stemmed and notched projectile points, and adaptive changes entailing greater emphasis on marine mammals and fish stimulated researchers to offer a range of explanations of cultural changes during this time. Favorable climatic conditions may have stimulated population growth, leading to subsistence intensification and giving rise to the adoption of mortars and pestles at the onset of the Early Period. This explanation seems possible, as researchers have suggested that the earliest mortars and pestles were not necessarily used for acorns (Glassow 1996). Perhaps mortars and pestles were used to process small terrestrial animals, shellfish, pulpy plant parts, as well as minerals such as ochre. Evidence of Early Period occupation on the central California Coast is extensive. Site distribution and radiocarbon date frequencies suggest that people during this interval may have been one of fairly mobile populations (Erlandson 1997; Glassow 1997; Joslin 2(10).

Middle Period (3000 to 1000 cal BP). Diagnostic assemblages of the Middle Period consist of a wider range and density of artifact types. Perhaps most significant is the innovation of the circular shell fishhook during this interval and an increase in the use of net sinkers Gones et al. 2007), signaling an increased importance of marine fish. Bone tools and ornaments are relatively abundant and include needles, pins, awls, strigils, whistles, spatulas, gorge hooks, and antler tines. Based primarily on large samples of excavated material from two sites situated on the San Simeon Reef (CA-SLO-175 and SLO-267), Jones (2003) assigned these Middle Period artifacts to the Little Pico II Phase. Along the north-central coast, many of the subsistence-settlement trends set in motion during the Early Period continue into the Middle Period, including an increased use of mortars and pestles, a great significant focus on small schooling fish and sea otters and a decreased dependence on shellfish (Iones and Ferneau 2002). Subsistence pursuits in general appear to reflect a broad-spectrum diet with distinct signs of local resource intensification over time.

Middle/Late Transition Period (1000 to 700 cal BP). Central California Coast populations experienced dramatic changes around the onset of the Middle/ Late Transition, sometime after 1000 cal BP, evidenced in the increase use of arrow points, the disappearance of most stemmed points, and changes in bead types (Codding and Jones 2007; Jones et al. 2007:139). Along the San Luis Obispo Coast site frequencies decline during the

Middle/Late Transition G ones 1995,2003; Jones and Ferneau 2002, Jones et al. 2008c). Archaeological sites dating to this interval are quite rare, limited to two known deposits along the San Simeon Reef: Arroyo de los Chinos (CA-SLO-273/274H) and Little Pico Creek (CA-SLO-17S); consequently, our understanding of this interval is still unfolding. Recent research at single-component sites located on the open coastline the Coon Creek site (CA-SLO-9), south of Estero Bay, and the Ravine Site (CA- SLO-2563) demonstrates that some sites were occupied during this interval and provides significant new information (Codding and Jones 2007; Codding et al. 2009; Joslin 2010). In a synthesis of Morro Bay sites, Mikkelsen et al. (2000) proposed that the productive estuary may have served as refugium during this period of environmental disruption. Located just south of Morro Bay, the Coon Creek site was a year-round residential base, where people procured rocky intertidal fish, shellfish, marine birds, marine mammals, and small terrestrial mammals with stemmed points, small leaf-shaped arrow points, notched line sinkers and circular shell fishhooks (Codding and Jones 2007).

Late Period (700 cal BP to Historic). Compared to the Hunting Culture sites, Late Period assemblages are easily distinguished by new patterns of technology, subsistence, and settlement. Jones (1991) suggested that local populations along the coast recovered from the effects of the environmental changes during the Middle/Late Transition; however, they never returned to the maritime adaptations observed during the Middle Period. This contradicts earlier interpretations by Greenwood (1972, 1978), who argued for a more socially complex population reliant on littoral resources. The discovery of Late Period middens in Big Sur (Hildebrandt and Jones 1998; Wohlgemuth et al. 2002), San Simeon Reef Goslin 2007; 2010), and Morro Bay Goslin and Bertrando 2000) have improved our understanding of this interval prior to Spanish contact with local Chumash communities.

Ethnographic Context. At the time of Spanish contact speakers of the Obispenio language of the Chumash language family occupied the lands in the Los Osos vicinity (Milliken and Johnson 2005:128, Figure 13). The project area is located south of the boundary of the Obispeno or Northern Chumash (to the south) and speakers of the putative Playano language and Salinan groups that resided to the north near Big Sur. The Obispenio or Northern Chumash practiced a hunting-gathering-fishing economy similar to most areas of precontact coastal California, where groups occupied a wide range of microenvironments and employed a diverse array of material culture to acquire resources.

Los Osos Archaeology Region. According to Jones (2006:13), excavation efforts conducted by Far Western in 2004 -2005 for the LOWWRF project confirm a long history of prehistoric occupation surrounding the Morro Bay estuary. Data suggest a settlement-subsistence pattern of intense exploitation of the estuary margins reflected by massive, dense, shell-midden deposits that span an occupation history of some eight to ten thousand years. These complex shell midden sites are comprised of a diverse set of tools, ornaments, and faunal remains suggesting village and/or long- term encampments occupied by a number of family groups. Moving back from the shoreline, and dispersed across the dune ridge tops within the current Los Osos community are several lithic-dominated site deposits. Habitation here seems more geared to specific activity areas that were apparently associated with males, as reflected by an abundance of hunting-related gear. The sparse nature of the deposits, punctuated by pockets of artifactual materials and small fire hearths, indicates that small groups were likely inhabiting these locations.

Historic Context. The community of Los Osos, approximately 15,000 people, is situated at the western end of Los Osos Valley Road, about 12 miles west of San Luis Obispo. According to Wee and Beason (2010:20). Los Osos, which officially acquired its name in 1974, is actually a conglomeration of three smaller communities: Baywood Park to the north, Cuesta-by-the-Sea to the west, and Los Osos to the south, all of which were developed in the 1920s. Prior to the development of the townsites, the area was mostly devoted to pasturing stock, dairying, or farming. The following is a synthesis from Wee and Beason (2010:20-25), for a detailed historic context, the reader is referred to the document.

Records Search. Archival research focused on primary and secondary sources to develop a general historic context and property-specific information for the study area and the immediate project area. On February 27, 2019, the author of this report conducted an in-house records search that included information on all previous surveys and prehistoric and historic resources within a 0.25-mile radius of the current project area. To identify previously recorded archaeological and historical sites, the author of this report reviewed archaeological site records, site location base maps, GIS layers and cultural resources survey and excavation reports on file at the Central Coast Information Center (CCIC), University of California, Santa Barbara. The records search revealed that the project area has been surveyed for cultural resources and archaeological site CA-SLO-2569/H is recorded within the study area.

In addition to this research effort, the author consulted the National Register of Historic Places (NRHP) via the National Register Information Service (NRIS), the official on-line database of the NRHP; the California Inventory of Historic Resources (California 1976); and the California Historical Landmarks (California 1995). The comprehensive records search revealed the current study area has no nominated cultural resources within or in the immediate vicinity of the current survey area.

The records search revealed that over nine cultural resources studies have been conducted within a 0.25-mile radius, the majority of which are for small lot and property surveys such as the current study, as well has large infrastructure projects. Studies conducted as part of the LOWWRF Project are the most comprehensive surveys and excavations in the area and include acreage within the current project area (Berg and Stevens 2015, Bertrando 2004b, Jones and Mikkelsen 2008, Singer 1985). Singer and Atwood (1992) also surveyed the southwestern study area as part of a new well site and pipeline easement for the Los Osos Valley Memorial Park and Mortuary, which was monitored during construction by Bertrando (1993). Parker (1992) surveyed the adjacent parcel to the west, a study that overlapped with the current project along the fence line.

Significantly, a review of the subsurface sensitivity model prepared for the LOWWRF Project revealed the current project area is within an area that is considered low sensitivity for buried archaeological sites (Jones and Mikkelsen 2008:13, Figure 3d).

Construction plans required placement of the material on the current study parcel, thus capping portions of the CA-SLO-2569/H up to the western APN 067- 011-057 property line (Eastern Lease Area). This introduced fill varied in thickness across the parcel. Based on the grading plan, material capping the site will be deepest at the eastern edge of the parcel, with the fill diminishing in depth towards the west, i.e., upslope. Along the eastern edge, the fill is four to nine feet thick, reduced to one to four feet thick to the north along the western property line, and pinching out in the southern portion of the site, conforming along the existing 90-foot elevation contour. Western portions of the Eastern Lease Area, west of the property line and outside the area proposed for cannabis activities, remains uncapped. The capping procedure included scoring the surface area in preparation for introduction of the fill material which, after placement, is to undergo 85% compaction.

As a result of the soil placement, an archaeological test excavation program was conducted to determine the prehistoric deposits constituents and integrity, in order for the site to be placed in a regional context with regard to its temporal placement and nature of its occupation (Berg and Stevens 2015). Testing found the relatively large site is shallow in nature-only about 40 centimeters in depth-with no buried component and disturbed by agricultural activities. Despite this, sufficient data were collected to make some observations on site integrity, content, and age. Materials recovered consisted primarily of flaked stone tools, including temporally diagnostic projectile points, bifaces, and flake tools. A small number of ground stone artifacts were also recovered, including two mortars and one pestle. Temporally diagnostic projectile points and obsidian hydration results indicate an Early to Middle Period occupation of the site. Jones et al. (2007) see this as an interval of cultural and behavioral cohesiveness known as the "Hunting Culture." Based on projectile point

styles and obsidian hydration dating, the site appears to have been occupied during the Early and Middle Periods (ca. 5500-1000 cal BP). The site appears to have functioned as a seasonal logistical camp, probably affiliated with habitation locations surrounding Morro Bay. The condition of the site is fair due to previous disturbances from agricultural activities, dirt road use and grading, and construction and demolition of structures. Given these results, Berg and Stevens (2015:26) found CA-SLO-2569/H provisionally recommended eligible for listing in the National Register of Historic Places and California Register of Historical Resources. The authors concluded the planned construction activities, including scoring the surface area in preparation for introduction of the fill and compaction of the fill, will likely have only minimal impacts on the prehistoric deposit.

According to the site map and artifact catalog, archaeological excavations in the footprint of the current projects ground disturbance (i.e., STUs 8 and 10) identified a sparse number of artifacts including low counts of debitage and a single projectile point. As presented in the project description and design layouts, there are no planned ground disturbance in capped soils above the higher artifact concentration 1 and Midden Area. Additionally, the site map contour depicts a previously graded and disturbed area, even prior to the capping of the site in the current project area.

In accordance with AB52 cultural resources requirements, outreach to numerous Native American tribes has been conducted: Santa Ynes Band of Chumash Indians, Barbareno/Ventureno Band of Mission Indians, Monterey Salinan, Xolon Salinan, yak tityu yak tiłhini Northern Chumash, Coastal Chumash, and Northern Chumash Tribal Council (NCTC). A response was received by the NCTC and the Salinan Tribe, both requested a copy of the Phase I report; subsequently, on April 4, 2019, NCTC indicated "no further comments on this proposed project No further consultation was requested by Native American tribes.

Paleontological Setting

The area is part of the Monterey Formation, characterized by silts, shales, and sandstone. Although Monterey chert can be found throughout this formation, it appears to be more localized on top of and around small ridges and knolls.

Discussion

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

Five archaeological sites are recorded within the 0.25-mile radius of the current study. One of which, CA -SLO-2569 /H, is recorded within the study area. The site was discovered during a survey conducted for the LOWWRF Project as a potential location for the wastewater facility (Gones and Mikkelsen 2008). As documented during original recordation, CA -SLO-2569 /H consists of both an extensive prehistoric and an historic-era component. The prehistoric component is a variable-density scatter of flaked stone tools and debitage located within the western portion of the survey parcel. It is composed primarily of bifaces, cores, and debitage, as well as smaller numbers of ground stone artifacts. Stone materials include Monterey and Franciscan chert used for flaked stone tools, with ground and battered stone implements fashioned of sandstone and granitic. While a few Monterey chert flakes were noted within the confines of the mapped historic-era component, the majority of the prehistoric materials were found scattered across the surrounding plowed fields.

The historic-period component is apparently associated with the former house structure occupied by workers on the Swiss- Italian Turri Ranch as early as the late 19th century until at least the 1970s. The structure was demolished by fire, and the rubble remains now form a slight mound that contains flecks of charcoal, a plywood scatter, and a number of thin (possible) shingles. A boarded-over well or basement/ cellar was noted to the south of the mound, with a small portion of a cement foundation

exposed to the north, along with a pile of four cement foundation slabs, each measuring 4 x 4 feet. The remains of a playhouse were observed nestled in the lower branches of a cypress tree to the west of the house rubble. Historic-era artifacts are scarce, consisting of a few glass and ceramic fragments scattered within the area. A dirt driveway circles around the southern and eastern portions of the historic component and leads to a shed/garage. To the north are two sheds and a pile of modern trash including a stove, carpet pieces, lengths of pipe, and glass bottles surrounding a large farm machine. Jones and Mikkelsen (2008: Table 5) found that the historic-era component lacked integrity and was likely not eligible.

Archaeological site CA -SLO-2569 /H is recorded on the privately-owned APN 067- 011-057, adjacent to parcel APN 067-011-058 which was appropriated for construction of the LOWWRF immediately to the east. Construction of the facility resulted in considerable amounts of excavated spoils that required disposal (Berg and Stevens 2015:4).

Based on the preceding analysis, the Eastern Lease Area 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 Eastern Lease Area 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?

On 27 February 2019, the author of the Phase I report conducted an intensive survey of the Eastern Lease Area where cannabis activities are proposed. All margins of the property are fenced, and a dirt road defines the southern and southwestern parcel boundaries. The 6.2-acre survey area was systematically walked in less than 5 meter transects. Although subjected to multiple previous studies, the current study focused on the areas surrounding the residence, outbuildings, and greenhouses. Ground surface visibility varied across the survey area was good to excellent (90-100 %), and poor (0-25%) in areas that have existing landscaping, greenhouses, and structures. However, fresh rodent burrow back dirt was inspected in along the margins to gain better ground surface visibility and to ascertain the existence of subsurface cultural deposits.

The field investigation identified no surface archaeological materials within the Wild Coast Farms Cannabis Cultivation Project study area. Although in an area characterized with high archaeological sensitivity in which CA-SLO-2569/H is recorded, the landform has been capped with a culturally sterile soils between four to nine feet deep, therefore obscuring the ground surface and protecting the prehistoric site deposit. The potential for intact surface archaeological deposits existing within the project area is considered to be low. Surface soils are a culturally sterile light brown clay indicative of construction fill. On site vegetation is characterized as modern landscaping, with recently planted barley across the parcel, as well as mustard and invasive grasses.

Based on the results of the records search and surface survey, the potential for archaeological or historic resources to be located on-site are low. AB52 consultation outreach was conducted for this project, and no tribal cultural resources were identified and the project is not expected to cause a substantial adverse change in the significance of an archaeological resource. Project impacts *are 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 area of disturbance. In the event of an accidental discovery or recognition of any human remains, California State Health and Safety Code Section 7050.5 and CZLUO 23.05.140 (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 CZLUO Section 23.05.140 (Archaeological Resources Discovery) potential impacts associated with the potential disturbance to human remains would be *less than significant*.

Conclusion

No significant impacts to archaeological, historical, or paleontological resources are expected, and no mitigation measures beyond compliance with the CZLUO are necessary to mitigate for the unlikely discovery of archaeological, historic, prehistoric, or human burials.

Mitigation

None are required.

Sources

See Exhibit A.

VI. ENERGY

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

Setting

The Pacific Gas & Electric Company (PG&E) is the primary electricity provider for urban and rural communities within San Luis Obispo County. Approximately 39% of electricity provided by PG&E is sourced from renewable resources and an additional 47% is sourced from non-renewable GHG-free resources (PG&E 2019).

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 kilowatt-hour (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.

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

Local Energy Plans and Policies

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

State Building Code Requirements

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 used for cultivation activities) are typically not regulated by these standards.

Vehicle Fuel Economy Standards

In October 2012, the U.S. Environmental Protection Agency (EPA) and the National Highway Traffic Safety Administration (NHSTA), on behalf of the Department of Transportation, issued final rules to further reduce GHG emissions and improve corporate average fuel economy (CAFE) standards for light duty vehicles for model years 2017 and beyond. NHTSA's CAFE standards have been enacted under the Energy Policy and Conservation Act since 1978. This national program requires automobile manufacturers to build a single light-duty national fleet that meets all requirements under both federal programs and the standards of California and other states. This program would increase fuel economy to the equivalent of 54.5 miles per gallon (mpg) limiting vehicle emissions to 163 grams of carbon dioxide (CO_2) per mile for the fleet of cars and light-duty trucks by the model year 2025.

In January 2017, EPA Administrator Gina McCarthy signed a Final Determination to maintain the current GHG emissions standards for the model year 2022-2025 vehicles. However, on March 15, 2017, EPA Administrator Scott Pruitt and Department of Transportation Secretary Elaine Chao announced that EPA intends to reconsider the Final Determination. On April 2, 2018, EPA Administrator Scott Pruitt officially withdrew the January 2017 Final Determination, citing information that suggests that these current standards may be too stringent due to changes in key assumptions since the January 2017 Determination. According to the EPA, these key assumptions include gasoline prices and overly optimistic consumer acceptance of advanced technology vehicles. The April 2nd notice is not EPA's final agency action, and the EPA intends to initiate rulemaking to adopt new standards. Until that rulemaking has been completed, the current standards remain in effect. (EPA 2017, EPA 2018).

As part California's overall approach to reducing pollution from all vehicles, the California Air Resources Board (CARB) has established standards for clean gasoline and diesel fuels and fuel economies of new vehicles. CARB has also put in place innovative programs to drive the development of low-carbon, renewable, and alternative fuels such as their Low Carbon Fuel Standard (LCFS) Program pursuant to California Assembly Bill (AB) 32 and the Governor's Executive Order S-01-07.

In January 2012, CARB approved the Advanced Clean Cars Program which combines the control of GHG emissions and criteria air pollutants, as well as requirements for greater numbers of zero-emission vehicles, into a single package of standards for vehicle model years 2017 through 2025. The new rules strengthen the GHG standard for 2017 models and beyond. This will be achieved through existing technologies, the use of stronger and lighter materials, and more efficient drivetrains and engines. The program's zero-emission vehicle regulation requires a battery, fuel cell, and/or plug-in hybrid electric vehicles to account for up to 15 percent of California's new vehicle sales by 2025. The program also includes a clean fuels outlet regulation designed to support the commercialization of zero-emission hydrogen fuel cell vehicles planned by vehicle manufacturers by 2015 by requiring increased numbers of hydrogen fueling stations throughout the state. The number of stations will grow as vehicle manufacturers sell more fuel cell vehicles. By 2025, when the rules will be fully implemented, the statewide fleet of new cars and light trucks will emit 34 percent fewer global warming gases and 75 percent fewer smog-forming emissions than the statewide fleet in 2016 (CARB 2016).

All self-propelled off-road diesel vehicles 25 horsepower (hp) or greater used in California and most two-engine vehicles (except on-road two-engine sweepers) are subject to the CARB's Regulation for In-Use Off-Road Diesel Fueled Fleets (Off-Road regulation). This includes vehicles that are rented or leased (rental or leased fleets). The overall purpose of the Off-Road regulation is to reduce emissions of oxides of nitrogen (NO_x) and particulate matter (PM) from off-road diesel vehicles operating within California through the implementation of standards including, but not limited to, limits on idling, reporting and labeling of off-road vehicles, limitations on use of old engines, and performance requirements.

Energy Use in Cannabis Operations

The California Department of Food and Agriculture (CDFA) Code of Regulations includes renewable energy requirements for indoor mixed-light cannabis cultivation operations. Beginning in 2023 all indoor mixed-light licensees must provide evidence of carbon offsets if the licensee's average weighted GHG emission intensity is greater than the local utility provider's GHG emission intensity. As such, for cultivators within San Luis Obispo County, if a cultivator's mixed-light energy use is supplied by resources with a lesser GHG-emission intensity than PG&E's GHG-emission intensity (currently approximately 85%), they would be required to acquire carbon offsets to account for the difference (California Code of Regulations [CCR] Section 8305).

The total energy demand of a cannabis operation depends heavily on the type of cultivation, manufacturing, location of the project, and 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, climate control systems) (County of Santa Barbara 2017). Specific energy uses for indoor grow operations include high-intensity lighting, dehumidification to remove water vapor and avoid mold formation, space heating or cooling during non-illuminated periods and drying processes, preheating of irrigation water, generation of carbon dioxide (CO_2) 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 incorporate a range of 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 the use of on-site solar arrays. However, many other operations within the County have been observed to engage in activities that 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?*

Construction-related Impacts. 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.

Table 7 -- Estimated Existing Electricity Demand

Use	Quantity	Demand Factor	Total Demand (kWhr/year)
Single Family Dwellings	1	18,000 kWhr/year[1]	18,000
Accessory Buildings	1,772 sf	5.35 kWhr/sq/ft/year[2]	9,480
Total:			**27,480**

Sources:
1. Southern California Edison 2007; 6,000 kWhr/year electricity + 12,000 kWhr/sf natural gas equivalent.
2. Itron, Inc. March 2006; 4.45 kWhr/sf year electricity + 0.90 kWhr/sf natural gas equivalent.

Table 8 -- Projected Operational Energy Use

Project Component	Size (sf)	Rate (kWh/year-sf)	Projected Energy (kWh/year)
Typical Commercial Building of Comparable Size	40,100	21.25	852,125

Indoor (mixed light) Cultivation	27,500	110	3,025,000
Indoor (mixed light) Ancillary and Commercial Nursery	12,600	110	1,386,000
Total:			**4,411,000**
Percent In Excess of Generic Commercial Building			**417%**

Operational Impacts.

Electricity and Natural Gas. The project's operational electricity needs would be met by a connection to existing PG&E infrastructure. Current energy demand associated with the Eastern Lease Area is estimated in Table 7.

The CBC 2019 Building Energy Efficiency Standards include mandatory energy efficiency standards. U-occupancy structures, such as greenhouses used for nursery cultivation activities, are exempt from CBC standards and therefore would not be subject to state-mandated energy efficiency design requirements or practices. As a result, these uses have the potential to result in wasteful, inefficient, or unnecessary energy consumption.

Proposed indoor cannabis cultivation activities 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 (greater than 20%) than a typical commercial building of the same size. Based on a study prepared for the California Energy Commission by Itron, Inc. (March 2006), commercial buildings utilize an average of 21.25 kWh per square foot (kWh/sf) annually (13.63 kWh from electricity and 7.62 kWh from natural gas). Therefore, a project that generates more than 25.5 kWh per square foot per year of energy demand is considered to have energy use that is wasteful, inefficient and unnecessary.

To determine whether a project has the potential to exceed this threshold, the County applies energy consumption rates from the County of Santa Barbara Cannabis Energy Conservation Plan Electricity Use Calculation Form (County of Santa Barbara 2018 which contains energy demand factors for different types of cannabis related activities. For mixed-light indoor cultivation (in a greenhouse), the form assumes an energy demand of 110 kWh/sf of building floor area annually.

The proposed cannabis project would include 27,500 sf of mixed light indoor cultivation floor area as well as 12,600 sf of ancillary and commercial nursery. A preliminary estimate of the project's energy demand, based on the energy consumption rates from the County of Santa Barbara Cannabis Energy Conservation Plan Electricity Use Calculation Form (County of Santa Barbara 2018), is provided in Table 8. No diesel, gasoline, or natural gas is proposed.

Based on the California Energy Commission Report, a typical non-cannabis commercial building of 40,100 sf would use 852,125 kWh per year (21.25 kWh/sf x 40,100 sf). Based on the energy consumption rates above, the proposed project's cultivation activities would use 417% more energy than a typical non-cannabis commercial building of the same size. As a result, this estimated energy use would potentially be wasteful and inefficient when compared to similar sized buildings implementing energy efficiency measures and would require mitigation.

Fuel Use. Construction activities will result in fuel use for worker and delivery trips and the operation of construction equipment. Ongoing operation of the project will result in fuel use associated with

employee motor vehicle trips and deliveries. For purposes of determining whether fuel use would be wasteful and inefficient and cumulatively considerable, project-related fuel use will be compared with the total fuel use from motor vehicles in San Luis Obispo County.

Table 9 provides a summary of total sales of gasoline and diesel fuel in San Luis Obispo County in 2018.

Table 9 -- State and County Fuel Consumption in 2018

Fuel	Statewide	San Luis Obispo County
Gasoline	13,475 million gallons	150 million gallons (or, about 410,958 gallons per day)
Diesel	1,602 million gallons	22 million gallons

Source: California Energy Commission

Assumptions:

- Daily vehicle miles travelled in San Luis Obispo County in 2020 (estimate from 2014 Regional Transportation Plan): 7,998,615.
- 172 million gallons of fuel consumed per year / 365 days = 471,232 gallons of fuel use per day
- 471,232 gallons of gasoline and diesel fuel consumed per day / 7,998,615 miles travelled per day = 0.058 gallons of fuel consumed per day per mile travelled
- Average Daily Trips (ADT) for Project x 14.7 miles = Daily Vehicle Miles Travelled (VMT)
- Daily VMT x gallons per mile travelled = Daily gallons of fuel use
- Three worker trips and 1 delivery trip per day for construction activities for 10 working days
- 8 Average Daily Trips for operations for 365 days

Construction Fuel Use

4 ADT x 14.7 miles = 58.8 VMT per day

58.8 x 10 days = 588.8 total VMT

588.8 x 0.058 gallons consumed per mile travelled = 34.1 gallons

Operational Fuel Use

14 ADT x 14.7 miles = 206 VMT per day

206 x 365 days = 75,117 total VMT per year

75,117 x 0.058 gallons consumed per mile travelled = 4,356 gallons per year

Total fuel use associated with construction and operation of the cannabis project would be about 1% of the total daily fuel consumed in the County in 2018. Accordingly, fuel consumption associated with the project would not be wasteful, inefficient or unnecessary.

Mitigation Measure ENG-1 and ENG-2 would reduce the cannabis project's environmental impact from wasteful and inefficient energy use to *less than significant with mitigation*.

Conclusion

The proposed cannabis project would result in a potentially significant energy demand and inefficient energy use during long-term operations. Inefficient energy use would potentially conflict with state or local renewable energy or energy efficiency plans.

Compliance with the provisions of Code of Regulations together with recommended mitigation measures ENG-1 and ENG-2 reduce potential impacts to *less than significant*.

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.*

Mitigation

ENG-1 **Prior to issuance of building permits**, the applicant shall provide to the Department of Planning and Building for review and approval, an Energy Conservation Plan with a package of measures that, when implemented, would reduce or offset the project's energy demand to within 20% of the demand associated with a generic commercial building of the same size. The Energy Conservation Plan shall include the following:

a. A detailed inventory of energy demand prepared by a Certified Energy Analyst. The inventory shall include an estimate of total energy demand from all sources associated with all proposed cannabis cultivation activities including, but not limited to, lighting, odor management, processing, manufacturing and climate control equipment. The quantification of demand associated with electricity shall be expressed in total kilowatt hours (kWh) per year; demand associated with natural gas shall be converted to kWh per year.

b. A program for providing a reduction or offset of all energy demand that is 20% or more than a generic commercial building of the same size. In this case, the estimated reduction or offset would be at least: 4,411,000 kWhr/yr – 1,022,550 kWhr/yr = 3,388,450 kWhr/yr; and the amount of energy not otherwise reduced or offset must not exceed 1,022,550 kWhr/yr. Such a program (or programs) may include, but is not limited to, the following:

   i. Evidence that the project will permanently source project energy demands from renewable energy sources (i.e. solar, wind, hydro). This can include purchasing the project's energy demand from a clean energy source by enrolling PG&E's Solar Choice program or Regional Renewable Choice program or 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 **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 (e.g. providing a current PG&E statement or contract showing continuous enrollment in the Solar Choice program or Regional Renewable Choice program).

Sources

See Exhibit A.

VII. GEOLOGY AND SOILS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:	☐	☐	☒	☐
	(i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	☐	☐	☐	☒
	(ii) Strong seismic ground shaking?	☐	☐	☒	☐
	(iii) Seismic-related ground failure, including liquefaction?	☐	☐	☒	☐
	(iv) Landslides?	☐	☐	☒	☐
(b)	Result in substantial soil erosion or the loss of topsoil?	☐	☐	☒	☐
(c)	Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☒	☐
(d)	Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?	☐	☐	☒	☐
(e)	Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of waste water?	☐	☐	☒	☐

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

Setting

The 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 are currently zoned under the Alquist-Priolo Act: the San Andreas, the Hosgri-San Simeon, and the Los Osos.

The Eastern Lease Area is not located within the Geologic Study Area designation and is not within a high liquefaction area. The Setting in Section II, Agricultural Resources, describes the soil types and characteristics on the Eastern Lease Area. Within the Eastern Lease Area the liquefaction hazard is considered low. In addition, it is not located in an Alquist Priolo Fault Zone and no active fault lines cross the Eastern Lease Area (CGS 2018). Prior to the issuance of a building permit, the site may be subject to the preparation of a geological report per the County's CZLUO to evaluate the area's geological stability and to inform the design of building foundations.

The San Luis Obispo County Mineral Designation Maps indicate the Eastern Lease Area is not located in a Mining Disclosure Zone or Energy/Extractive Area. Therefore, the project would not result in the preclusion of mineral resource availability.

The Eastern Lease Area, where cannabis activities are proposed, is located on an antiquated sand dune with relatively flat to gently rolling topography. Soils of the Eastern Lease Area are listed in Section 2, Agricultural Resources.

DRAINAGE – The Eastern Lease Area is not located within a 100-year flood hazard area. Drainage, sedimentation and erosion control plans are required for all construction and grading projects (CZLUO Sec. 23.05.036 and 23.05.040) to minimize these impacts. When required, the plan is prepared by a civil engineer to address both temporary and long-term sedimentation and erosion impacts.

SEDIMENTATION AND EROSION – Soil type, amount of disturbance and slopes are key aspects to analyzing potential sedimentation and erosion issues. When highly erosive conditions exist, a sedimentation and erosion control plan is required (CZLUO Sec. 23.05.036) to minimize these impacts. When required, the plan is prepared by a civil engineer to address both temporary and long-term sedimentation and erosion impacts. Projects involving more than one acre of disturbance are subject to the preparation of a Storm Water Pollution Prevention Plan (SWPPP), which focuses on controlling storm water runoff. The Regional Water Quality Control Board is the local extension who monitors this program.

Discussion

(a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:

(a-i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.
(a-ii) Strong seismic ground shaking?
(a-iii) Seismic-related ground failure, including liquefaction?
(a-iv) Landslides?

The project site is not within a Geologic Study area designation and exhibits a low potential for liquefaction and for landslide risk. The Los Osos Fault passes about one-quarter mile to the south of the Eastern Lease Area. This fault extends east-west along the northern flank of the Irish Hills with the western end located near Los Osos and the eastern end near Highway 101 in San Luis Obispo. Investigations conducted by the California Division of Mines and Geology in 1989 indicated that faulting activity has taken place along the main strand of the fault within the past 11,000 years. Therefore, the Los Osos Fault is considered active. Accordingly, the California Geological Survey established an Earthquake Fault Zone in accordance with the Alquist-Priolo Act along a portion of the Los Osos Fault near the City of San Luis Obispo. The Eastern Lease Area where cannabis activities are proposed is located outside the Earthquake Fault Zone.

Ground shaking refers to the motion that occurs in response to local and regional earthquakes. Seismic ground shaking is influenced by the proximity of the site to an earthquake fault, the intensity of the seismic event, and the underlying soil composition. The project would be required to comply with the California Building Code 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.*

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

The cannabis project will result in an area of disturbance of about 3.0 acres; grading will not involve substantial cut and fill. The project will also involve excavation of a 700 foot long trench to extend electricity from an existing power pole to the buildings. The trench would be approximately 1 feet wide and 3 feet deep (about 1,500 cubic feet).

In accordance with CZLUO Section 23.05.036, the project will be conditioned to provide an erosion and sedimentation control plan to be reviewed and approved prior to building permit issuance. In addition, the project would be subject to Regional Water Quality Control Board (RWQCB) requirements for preparation of a SWPPP, which may include the preparation of a Storm Water Control Plan to further minimize on-site erosion. Upon implementation of the above control measures, impacts related to soil erosion would be *less than significant*.

(c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?

Based on the Safety Element Landslide Hazards Map, the Eastern Lease Area where cannabis activities are proposed is not located in an area with high landslide risk. Based on the Safety Element and U.S. Geological Survey (USGS) data, the project is not located in an area of historical or current land subsidence (USGS 2019) and is located in an area with low potential for liquefaction risk. Due to the distance to the nearest active fault zone and topography of the Eastern Lease Area, lateral spreading is not likely to occur on-site.

The soils associated with the Eastern Lease Area are described in Section II Agriculture. As discussed in the setting, the Eastern Lease Area is not located in an area subject to unstable geologic conditions. In accordance with CZLUO Sections 23.05.024 and 23.05.040, the areas to be graded will be subject to an approved grading and drainage plan and erosion and sedimentation control plan. Compliance with relevant provisions of the California Building Code will ensure potential impacts associated with site landslide, lateral spreading, subsidence, liquefaction or collapse will be *less than significant*.

(d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?

The soils associated with the Eastern Lease Area are described in Section II Agriculture. None of the soils are considered expansive as defined by Table 18-1-B of the Uniform Building Code. Compliance with relevant provisions of the California Building Code will ensure potential impacts associated with expansive soils will 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 will use the existing septic system / leach field. According to the NRCS Web Soil Survey, soils of the Eastern Lease Area do not present significant limitations for the use of septic leach fields. Potential impacts associated with the adequacy of soils to accommodate septic percolation are considered *less than significant*.

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

Based on the project description, the Eastern Lease Area has been continuously tilled and cultivated for many years which significantly reduces the likelihood of paleontological resources being discovered. The project will not require extensive grading that would impact previously undiscovered paleontological resources. Potential impacts to paleontological resources would be *less than significant*.

Conclusion

The project is not expected to result in a significant impact relating to geology and soils.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.

VIII. GREENHOUSE GAS EMISSIONS

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

Setting

Greenhouse gases (GHG) are any gases that absorb infrared radiation in the atmosphere, and are different from the criteria pollutants discussed in Section III, Air Quality, above. The primary GHGs that are emitted into the atmosphere as a result of human activities are carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), and fluorinated gases. These are most commonly emitted through the burning of fossil fuels (oil, natural gas, and coal), agricultural practices, decay of organic waste in landfills, and a variety of other chemical reactions and industrial processes (e.g., the manufacturing of cement).

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

In October 2008, the CARB published its *Climate Change Proposed Scoping Plan*, which is the state's plan to achieve GHG reductions in California required by Assembly Bill (AB) 32, which codifies the Statewide goal of reducing emissions to 1990 levels by 2020 (essentially a 15% reduction below 2005 emission levels) and the adoption of regulations to require reporting and verification of statewide GHG emissions. The Scoping Plan included CARB-recommended GHG reductions for each sector of the state's GHG emissions inventory. The largest proposed GHG reduction recommendations were associated with improving emissions standards for light-duty vehicles, implementing the Low Carbon Fuel Standard program, implementation of energy efficiency measures in buildings and appliances, the widespread development of combined heat and power systems, and developing a renewable portfolio standard for electricity production.

Senate Bill 32 (SB32) and Executive Order (EO) S-3-05 extend the state's GHG reduction goals and require CARB to regulate sources of GHGs to meet a state goal of reducing GHG emissions to 1990 levels by 2020, 40% below 1990 levels by 2030, and 80% below 1990 levels by 2050. The initial Scoping Plan was first approved by CARB on December 11, 2008 and is updated every 5 years. The first update of the Scoping Plan was approved by the CARB on May 22, 2014, which looked past 2020 to set mid-term goals (2030–2035) toward reaching the 2050 goals. The most recent update released by CARB is the 2017 Climate Change Scoping Plan, which was released in November 2017. The 2017 Climate Change Scoping Plan incorporates strategies for achieving the 2030 GHG-reduction target established in SB32 and EO S-3-05.

Initial Study – Environmental Checklist

Pursuant to Section 8203 (g) of the Title 3, Division 8, Chapter 1 of the California Code of Regulations, beginning January 1, 2022, CDFA will require cultivation applicants to disclose the greenhouse gas emission intensity (per kWh) of their utility provider and show evidence that the electricity supplied is from a zero net energy source.

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.

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

In March 2012, the SLOAPCD approved thresholds for GHG emission impacts, and these thresholds were incorporated into their CEQA Air Quality Handbook. For GHG emissions, the Air Quality Handbook recommended applying a 1,150 $MTCO_2e$ per year Bright Line Threshold for commercial and residential projects and included a list of general land uses and estimated sizes or capacities of uses expected to exceed this threshold. According to the SLOAPCD, this threshold was based on a 'gap analysis' and was used for CEQA compliance evaluations to demonstrate consistency with the state's GHG emission reduction goals associated with the AB32 and the 2008 Climate Change Scoping Plan. However, in 2015, the California Supreme Court issued an opinion in the *Center for Biological Diversity vs California Department of Fish and Wildlife* ("Newhall Ranch")[i] which determined that AB32 based thresholds derived from a gap analysis are invalid for projects with a planning horizon beyond 2020. Since the bright-line and service population GHG thresholds in the 2012 Handbook are AB32 based and project horizons are now beyond 2020, the SLO County APCD no longer recommends the use of these thresholds in CEQA evaluations. Instead, the following threshold options are recommended for consideration by the lead agency:

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

  The County of San Luis Obispo EnergyWise (EWP), adopted in 2011, serves as the County's GHG reduction strategy. The GHG-reducing policy provisions contained in the EWP were prepared with the purpose of complying with the requirements of AB32 and achieving the goals of the AB32 Scoping Plan, which have a horizon year of 2020. Therefore, the EWP is not considered a qualified GHG reduction strategy for assessing the significance of GHG emissions generated by projects with a horizon year beyond 2020.

- No-net Increase: The 2017 Scoping Plan states that no-net increase in GHG emissions relative to baseline conditions "*is an appropriate overall objective for new development*" and consistent with the Court's direction provided by the Newhall Ranch case. Although a desirable goal, the application of this threshold may not be appropriate for small projects where it can be clearly shown that it will not generate significant GHG emissions.

- Lead Agency Adopted Defensible GHG CEQA Thresholds: Under this approach, a lead agency may establish SB32-based local operational thresholds. According to an update of the County's EnergyWise Plan prepared in 2016, overall GHG emissions in San Luis Obispo County decreased by approximately seven percent between 2006 and 2013, or about one-half of the year 2020 target of reducing greenhouse gas emissions by 15% relative to the 2006 baseline. According to the *California Greenhouse Gas Emissions for 2000 to 2017, Trends of Emissions and Other Indicators*, published in 2019 by the California Air Resources Board, in 2017, emissions from GHG emitting activities statewide were 424 million $MMTCO_2e$, which is 7 million MTCO2e *below* the 2020 GHG Limit of 431 $MMTCO_2e$ established by AB32. Therefore, application of the 1,150 $MTCO_2e$ Bright Line Threshold in San Luis Obispo County, together with other local and State-wide efforts to reduce GHG emissions, proved to be an effective approach for achieving the reduction targets set forth by AB32 for the year 2020.

Table 10 -- Projected Project GHG Emissions Without Mitigation

Project Component	Quantity	Emissions Rate (Annual $MTCO_2e$/sf)		Estimated Projected Annual CO_2 Emissions (MT/year) Without Mitigation
		Construction[1]	Operation	
Existing single family residences	1 dwelling	n/a	4.2[3]	4.20
Ag Accessory Building	1,772 sf	n/a	0.0069	12.22
Crop Production	63 acres	n/a	1.4	88.2
Existing/Baseline GHG Emissions				**104.80**
Mixed-light Indoor Cultivation and Nursery	40,100 sf	0.0022	0.062[2]	1,050.50
Net Change (Increase)				**1,050.50**

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

1. Total construction related GHG emissions divided by the floor area of a typical indoor cannabis cultivation building (22,000 sf). Assumes 34 total construction days including site preparation, grading and building construction, 13 vehicle miles travelled per construction day for workers and 1,000 cubic yards of cut and fill.
2. Total operational emissions based on an energy use factor of 110 kWhr/sf/year and energy provided by Pacific Gas and Electric Co.
   Based on 18,000 kWhr/household/year.

Table 11 -- Estimate of Project Related GHG Emissions With Mitigation Measure ENG-1

Project Component	Quantity	Emissions Rate (Annual $MTCO_2e$/sf)		Estimated Projected Annual CO_2 Emissions (MT/year) With Mitigation Measure ENG-1
		Construction[1]	Operation	
Existing single family residences	1 dwellings	n/a	4.20[3]	4.2
Ag Accessory Building	1,772 sf	n/a	0.0069	12.22

Crop Production	63 acres	n/a	1.4	88.2
Existing/Baseline GHG Emissions				**34.42**
Mixed-light Indoor Cultivation and Nursery	40,100 sf	0.0022	0.0116[2]	553.33
Net Change (Increase)				**553.33**

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

Notes:

1. Total construction related GHG emissions divided by the floor area of a typical indoor cannabis cultivation building (22,000 sf). Assumes 34 total construction days including site preparation, grading and building construction, 13 vehicle miles travelled per construction day for workers and 1,000 cubic yards of cut and fill.
2. Total operational emissions based on an energy demand of 1,022,550 kWhr/year (See Section VI. Energy) and energy provided by Pacific Gas and Electric Co. Emission factor derived from CalEEMOD and includes emissions associated with energy use, vehicle miles traveled, and water use.
3. Based on 18,000 kWhr/household/year.

As discussed above, SB32 and Executive Order (EO) S-3-05 extend the state's GHG reduction goals to meet a state goal of reducing GHG emissions to 1990 levels by 2020, 40% below 1990 levels by 2030, and 80% below 1990 levels by 2050. Since SB32 requires the state to reduce GHG levels by 40 percent below 1990 levels by the year, an interim SB32-based working threshold would be 40 percent below the 1,150 $MMTCO_2e$ Bright Line threshold, or 1,150 x 0.6 = 690 $MMTCO_2e$. Therefore, for the purpose of evaluating the significance of GHG emissions for a project after 2020, a project estimated to generate 690 $MMTCO_2e$ or more GHG is assumed to have a significant adverse impact that is cumulatively considerable.

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) Energy inefficiency contributes to higher GHG emissions and would conflict with state and local plans for energy efficiency, including the policies of the COSE, the EWP goals, and the 2001 SLOAPCD CAP. The California Energy Emissions Model (CalEEMod) was used to determine the approximate GHG emissions per square foot associated with construction and operation of a mixed-light indoor cultivation and nursery operation based on an energy use factor of 110 kWh/sf per year. These emission factors were then multiplied by the total floor area of the building proposed for indoor cultivation and ancillary nursery to estimate the project's construction-related and annual operational carbon dioxide equivalent emissions in metric tons ($MTCO_2e$; See Table 10).

Table 11 provides an estimate of GHG emissions that accounts for the reduction/offset of estimated energy demand associated with implementation of mitigation measure ENG-1 in Section VI. Energy. This measure requires the project to reduce or offset estimated energy demand to within 20% of the demand

associated with a typical commercial building of comparable floor area, which in this case is 1,022,550 kWhr/year.

As shown in Table 11 implementation of the energy conservation measures identified in ENG-1 will reduce project-related GHG emissions to about 553 MTCO2e which is below the interim working threshold of 690 MTCO2e. Accordingly, with implementation of mitigation measures ENG-1 and ENG-2 project GHG emissions are considered *less than significant with mitigation*, *less than cumulatively considerable* and consistent with the GHG reduction targets set forth by SB32. In addition, project-related GHG emissions are largely associated with the production of electricity and all electrical utilities in California will be subject to ongoing State-mandated GHG reduction requirements.

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. Compliance with the provisions of the Code of Regulations together with recommended mitigation measures ENG-1 and ENG-2 will reduce potential impacts to *less than significant*.

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.

Mitigation

ENG-1 and ENG-2 provided in Section VI. Energy.

Sources

See Exhibit A.

IX. HAZARDS AND HAZARDOUS MATERIALS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☒	☐
(b)	Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☒	☐	☐
(c)	Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☒
(d)	Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	☒
(e)	For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?	☐	☐	☐	☒
(f)	Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☒	☐
(g)	Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	☐	☐	☒	☐

Setting

The Hazardous Waste and Substances Site List (Cortese List), which is a list of hazardous materials sites compiled pursuant to California Government Code (CGC) Section 65962.5, 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. To comply with Government Code Section 65962.5 (known as the "Cortese List) the following databases/lists were checked in March 2020 for hazardous waste or substances occurring at the project site:

- List of Hazardous Waste and Substances sites from Department of Toxic Substances Control (DTSC) EnviroStor database
- List of Leaking Underground Storage Tank Sites by County and Fiscal Year from Water Board GeoTracker database
- List of solid waste disposal sites identified by Water Board with waste constituents above hazardous waste levels outside the waste management unit
- List of "active" Cease and Desist Orders (CDO) and Cleanup and Abatement Orders (CAO) from Water Board
- List of hazardous waste facilities subject to corrective action pursuant to Section 25187.5 of the Health and Safety Code, identified by DTSC

The project is not be located in an area of known hazardous material contamination and is not on a site listed on the Cortese List (State Water Resources Control Board [SWRCB] 2015; California Department of Toxic Substance Control [DTSC] 2019).

The County 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 California Health and Safety Code provides regulations pertaining to the abatement of fire-related hazards and requires that local jurisdictions enforce the CBC, which provides standards for fire resistive building and roofing materials, and other fire-related construction methods. The Safety Element of the County of San Luis Obispo General Plan 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 moderate fire hazard severity zone. Based on CAL FIRE's referral response letter, it would take approximately 5-10 minutes to respond to a call regarding fire or life safety. For more information about fire-related hazards and risk assessment, see Section XX, Wildfire.

According to CAL FIRE's San Luis Obispo County Fire Hazard Severity Zone map, the project site is in a State Responsibility Area for fire service, and a 'moderate' fire severity risk area. The closest fire station to the Eastern Lease Area is CAL FIRE Station 15 located at 2315 Bayview Heights, Los Osos, which is approximately two miles to the west. According to San Luis Obispo General Plan Safety Element Emergency Response Map, average emergency response time to the Eastern Lease Area is 4-7 minutes (San Luis Obispo County 1999).

The project is not within the Airport Review Area. The closest airport to the site is the San Luis Obispo County Regional Airport which is located approximately 14 miles to the east. The schools nearest the Eastern Lease Area are located within the community of Los Osos, approximately 3 miles to the west.

Discussion

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

Construction activities may involve the use of oils, fuels, and solvents. In the event of a leak or spill, persons, soil, and vegetation down-slope from the site may be affected.

The use, storage, and transport of hazardous materials is regulated by DTSC (22 Cal. Code of Regulations Section 66001, et seq.). The use of hazardous materials on the Eastern Lease Area for construction and maintenance is required to be in compliance with local, state, and federal regulations. In addition, compliance with BMPs would also address impacts. In addition, compliance with BMPs for the use and storage of hazardous materials would also address impacts. These BMPs may include, but are not limited to, the following:

- Determining whether a product constitutes a hazardous material in accordance with federal and state regulations;
- Properly characterizing the physical properties, reactivity, fire and explosion hazards of the various materials;
- Using storage containers that are appropriate for the quantity and characteristics of the materials;
- Properly labeling of containers and maintaining a complete and up to date inventory;
- Ongoing inspection and maintenance of containers in good condition; and
- Proper storage of incompatible, ignitable and/or reactive wastes.

Project operations would involve the intermittent use of small amounts of hazardous materials such as fertilizer and pesticides that are not expected to be acutely hazardous. In accordance with CZLUO Section 23.08.418 d. 9 all applications for cannabis cultivation must include a list of all pesticides, fertilizers and any other hazardous materials expected to be used, along with a storage and hazardous response plan. This information is included in the application materials which are incorporated by reference and are available for review at the Department of Planning and Building 976 Osos Street, Suite 200, San Luis Obispo.

In addition, all approved cannabis cultivation operations employing the use of pesticides must obtain the appropriate pesticide use permitting from the Department of Agriculture / Weights and Measures. Accordingly, pesticide and fertilizer usage will be conducted according to the County of San Luis Obispo Department of Agriculture by obtaining an Operator Identification Number and complying with all application, reporting, and use requirements. Accordingly, the applicant proposes the following material handling, storage and waste management measures which would ensure the safe use and handling of chemical/industrial materials:

- Fertilizers will be delivered to the Eastern Lease Area where cannabis activities are proposed and stored in a covered area next to the irrigation station.
- All pesticide products will be registered with the Agriculture Department, including those products classified as 25 (b) pursuant to the Federal Insecticide, Fungicide and Rodenticide Act.
- Employees will have appropriate applicator's license issued by the Agriculture Department, will adhere to the agricultural use requirements of the label and shall employ all personal protective

equipment prescribed on the label. The project will comply with all posting requirements of the protection standard for the restricted entry interval stated on the label.

- The applicant will store pesticides in a locked space away from all cultivation areas.

As discussed in the Setting above, the project site is not found on the 'Cortese List' (which is a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5). The project is not expected to conflict with any regional emergency response or evacuation plan.

The project was also referred to the Department of Environmental Health for review. Their response (Kealoha Ghiglia, March 22, 2019) requires the applicant to return the Hazardous Materials Declaration Flowchart which provides a summary of hazardous materials to be used on site.

The project will also be required to comply with all applicable CAL FIRE requirements as detailed in the referral response letter of March 1, 2020, (Dell Wells, Fire Captain), including, but not limited to, preparation of a fire safety plan and compliance with relevant provisions of the California Fire Code. Compliance with the UFC and the recommendations of CAL FIRE will ensure that potential impacts associated with hazards to the public or the environment through the routine transport, use, or disposal 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?

Oils, gasoline, lubricants, fuels, and other potentially hazardous substances would be used and temporarily stored onsite during construction activities. A spill or leak of these materials under accident conditions during construction activities could create a potentially significant hazard to the surrounding environment. Mitigation measures HAZ-1 and HAZ-2 have been recommended to reduce potential impacts associated with upset or accident conditions during project construction.

Proposed indoor cultivation activities would include the use, and storage of pesticides and fertilizers onsite. These materials are not considered highly toxic or hazardous, but could result in a hazard if upset or spilled under accident conditions. Storage, refilling, use, and dispensing procedures of these materials would be required to be conducted in accordance with the California Fire Code and the project Storage and Hazard Response Plan during operation, and would therefore not have the potential to create a significant hazard through upset or accident conditions.

Through required compliance with these standards, potential operational hazards would be effectively minimized. Therefore, potential impacts associated with hazards to the public or the environment through reasonably foreseeable upset or accident conditions would be *less than significant with mitigation.*

(c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?

Based on the project description, the project is not located within one-quarter mile of a school. *No impact* will 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 the California DTSC's Envirostor and SWRCB's GeoTracker, the proposed project site is not listed on or located in close proximity to a site listed on the Cortese List, which is a list of hazardous materials sites compiled pursuant to CGC Section 65962.5; 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 is not located within an area governed by an Airport Land Use Plan or within two miles of a public airport. *No impact* will occur.

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

The project does not require any road closures and would be required to be designed to accommodate emergency vehicle access. The project would not impair implementation or physically interfere with County hazard mitigation or emergency plans; therefore, 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 a State Responsibility Area but is not located within a "very high" severity risk area which could present a significant fire safety risk. The project will be required to comply with all applicable CAL FIRE requirements as detailed in the referral response letter of March 1, 2020, (Dell Wells, Fire Captain), including, but not limited to, preparation of a fire safety plan and compliance with relevant provisions of the California Fire Code. Compliance with the UFC and the recommendations of CAL FIRE will ensure that potential impacts associated with wildland fires would be *less than significant.*

Conclusion

The project may include the use of potentially hazardous materials during construction and operation. Mitigation measures have been identified below to reduce potential impacts associated with routine transport, use, and disposal of these materials, as well as potential hazards associated with upset and accident conditions and wildland fire risk. Upon implementation of measures HAZ-1 and HAZ-2, potential impacts associated with hazards and hazardous materials would be *less than significant with mitigation.*

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 (f) and 8307 (b) require compliance with Department of Pesticide Regulations.

Mitigation

HAZ-1 **Equipment Maintenance and Refueling.** During all construction activities, the cleaning, refueling, and maintenance of equipment and vehicles shall occur only within designated staging areas. The staging areas shall conform to all Best Management Practices applicable to attaining

zero discharge of stormwater runoff. At a minimum, all equipment and vehicles shall be checked and maintained on a daily basis to ensure proper operation and to avoid potential leaks or spills.

HAZ-2 **Spill Response Protocol.** During all construction activities, all project-related spills of hazardous materials shall be cleaned up immediately. Appropriate spill prevention and cleanup materials shall be onsite at all times during construction.

Sources

See Exhibit A.

X. HYDROLOGY AND WATER QUALITY

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	☐	☐	☒	☐
(b)	Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☒	☐	☐
(c)	Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:	☐	☐	☒	☐
	(i) Result in substantial erosion or siltation on- or off-site;	☐	☐	☒	☐
	(ii) Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site;	☐	☐	☒	☐
	(iii) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	☐	☐	☒	☐
	(iv) Impede or redirect flood flows?	☐	☐	☐	☒
(d)	In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	☐	☒
(e)	Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☒	☐	☐

Setting

The RWQCB's Water Quality Control Plan for the Central Coast Basin (Basin Plan; RWQCB 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 RWQCB implements the Basin Plan by issuing and enforcing waste discharge requirements to individuals, communities, or businesses whose discharges can affect water quality.

Cannabis cultivators that plan to divert surface water need a water right to irrigate cannabis. The SWRCB Cannabis Policy requires cannabis cultivators to forbear (or cease) from diverting surface water during the dry season, which starts April 1 and ends October 31 of each calendar year. This means that water must be diverted during the wet season and stored for use during the dry season. Water is required to be stored off-stream. The Cannabis Small Irrigation Use Registration (SIUR) is a streamlined option to obtain a small appropriative water right (less than 6.6 acre-feet per year) to divert and store surface water to irrigate commercial cannabis crops.

The CZLUO 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 CZLUO 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 County Department of Public Works is responsible for ensuring that new construction sites implement BMPs during construction, and that site plans incorporate appropriate post-construction stormwater runoff controls. Construction sites that disturb 1 acre or more must obtain coverage under the SWRCB's Construction General Permit. The Construction General Permit requires the preparation of a 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 acre must implement all required elements within the site's erosion and sediment control plan as required by the CZLUO.

For planning purposes, the flood event most often used to delineate areas subject to flooding is the 100-year flood. The Safety Element of the County of San Luis Obispo General Plan 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.

DRAINAGE – The Eastern Lease Area was partially graded and filled with material from the LOWWRF which is adjacent to the east and at a lower elevation. Cut material was excavated from the LOWWRF site and placed on the Souza property with a series of drainage swales to convey runoff to a rock-filled channel constructed around the west end of the LOWWRF (Figure 14).

Grading, drainage and sedimentation and erosion control plans are required for all construction and grading projects (CZLUO Sec. 23.05.024, 036 and 040). When required, these plans are prepared by a civil engineer to

address both temporary and long-term drainage, sedimentation and erosion impacts. The Eastern Lease Area is not located within a 100-year flood hazard area. The western perimeter of the Western Lease Area is located within the 100-year flood plain of Los Osos Creek; this flood plain area is about 0.43 miles from proposed cannabis activities. No cannabis activities are proposed within the Western Lease Area.

SEDIMENTATION AND EROSION – Soil type, amount of disturbance and slopes are key aspects to analyzing potential sedimentation and erosion issues. When highly erosive conditions exist, a sedimentation and erosion control plan is required (CZLUO Sec. 23.05.036) to minimize these impacts. When required, the plan is prepared by a civil engineer to address both temporary and long-term sedimentation and erosion impacts. Projects involving more than one acre of disturbance are subject to the preparation of a SWPPP, which focuses on controlling storm water runoff. The Regional Water Quality Control Board is the local extension who monitors this program.

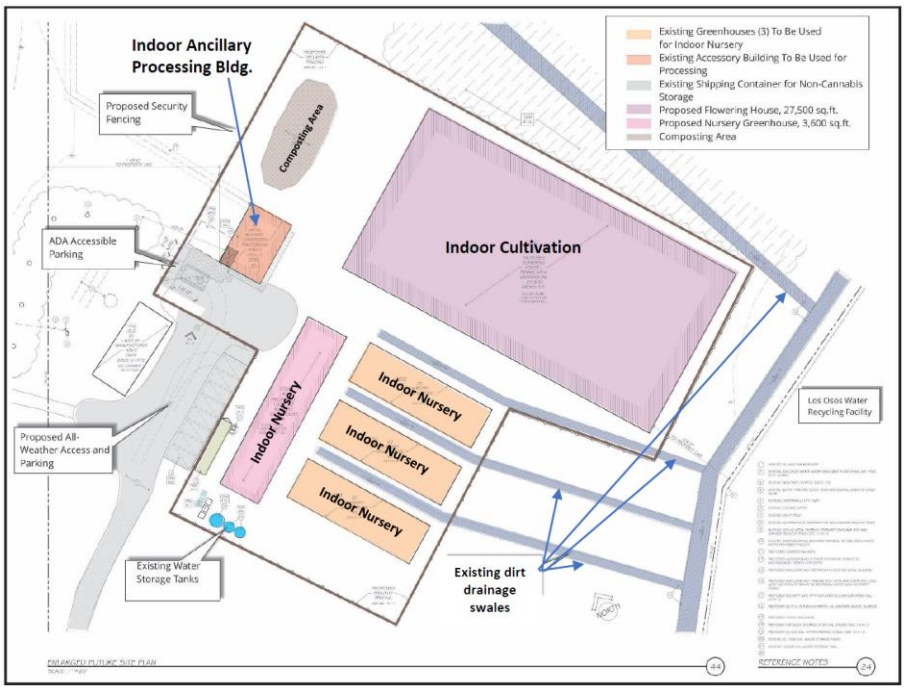
WATER DEMAND – Water is supplied to the Eastern Lease Area by an existing well. A water quality test conducted in 2019 by BKS Associates concludes that the water supply is suitable for cannabis cultivation. A well pump test performed in 2018 by Pro H2O Drilling and Pump Company concluded the well can produce 24 gallons per minute. CZLUO Section 23.08.418 d.5 requires all applications for cannabis cultivation to include a detailed water management plan that discusses the proposed water supply, conservation measures and any water offset requirements. In addition, Section 23.08.418 d. 5. requires that a cultivation project located within a groundwater basin with a Level of Severity III (LOS III) provide an estimate of water demand prepared by a licensed professional or other expert, and a description of how the new water demand will be offset. For such projects, the water use offset ratio is 1:1. If the project is within an Area of Severe Decline the offset requirement is 2:1, unless a greater offset is required by the review authority through the permit review process.

The Eastern Lease Area where cannabis activities are proposed is located within the Los Osos Groundwater Basin (LOGWB), a LOS III Basin, but is not within an Area of Severe Decline. Therefore, the water use offset requirement is 1:1.

Based on information provided by the managers of the East and Western Lease Areas, as part of the project's Water Management Plan (Monsoon Consultants, July 21, 2020), historic water usage associated with the Western Lease Area (Dohi Farms) for a normal rain year is 121 acre-feet. Historic water use for the Eastern Lease Area (the Wild Coast Farms site) has averaged about 1.92 AFY. The combined historic water usage for both lease areas is estimated to be 127.92 acre-feet.

Figure 14 -- Existing Drainage Facilities

Initial Study – Environmental Checklist



Discussion

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

The cannabis project will result in 3.0 acres of disturbance but will not require extensive grading or cut and fill. The project has been designed and sited to convey runoff to the existing drainage swales where it will be conveyed to the LOWWRF and percolate into the ground. The project will be conditioned to provide final grading, erosion and sedimentation control plans for review and approval prior to building permit issuance as required by CZLUO Sections 23.05.024, 036 and 040.

According to the Public Works Department (David Grimm, April 1, 2019) the project is located within a drainage review area and a drainage plan will be required. The project will disturb more than 1.0 acres and will therefore be required to enroll in coverage under California's Construction General permit. The project does not appear to meet the applicability criteria for Stormwater Management.

All potentially hazardous materials proposed to be used onsite would be stored, refilled, and dispensed onsite in full compliance with applicable County Department of Environmental Health standards. All pesticides would be registered and regulated by federal and state government codes, with the County Agricultural Commissioner being the primary local regulator. Based on the distance from the nearest creek or water feature, and compliance with existing County and state water quality, sedimentation, and erosion control standards, the project would not result in a violation of any water quality standards, discharge into surface waters, or otherwise alter surface water quality; therefore, impacts would be *less than significant*.

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

Each of the two Lease Areas are served by separate irrigation wells. The sole source of water that is supplied to the Eastern Lease Area comes from an existing well located on the southern property line.

A well pump test performed in 2018 by Pro H2o Drilling and Pump Company concluded the well can produce 24 gallons per minute. Based on the summary provided in Table 12, the average daily demand will be 3,124 gallons per day. This means that the pump would need to run 2.22 hours per day at 23.5 gallons per minute to meet the future demand associated with cannabis activities (summarized below in Table 12).

Table 12 -- Water Demand Eastern & Western Lease Area

Use	Number of Plants	Gallons Per Day	Gallons Per Year	Acre-Feet Per Year
Indoor Cultivation	12,000	2,400	876,000	2.69
Nursery	6,400	704	256,960	0.79
Processing	18,400	10	3,650	0.01
Other	18,400	10	3,650	0.01
Total Increase In Water Demand Associated With Cannabis Activities:	52,200	3,124	1,140,260	**3.50**
Domestic consumption (Eastern Lease Area)				0.27
Continued sheep grazing (Eastern Lease Area)				0.71
Ongoing Row Crop Cultivation (Western Lease Area)				121.00
Total Water Demand (Both Lease Areas)				**125.48**

Source: Monsoon Consultants, July 21, 2020

The project is located within the LOGWB which is categorized as being in a state of critical overdraft; the project is located outside the area that is categorized as being in severe decline (Spring Well Decline 1997–2013; County of San Luis Obispo 2018). Per the CWWCP, the project applicant is required to offset this new water use at a 1:1 ratio.

To achieve the required offset, mitigation measures W-1 and W-2 are recommended which require the installation of efficient water systems and fixtures within the LOGWB and/or participation in an approved water conservation program. In addition, the project description includes a Water Management Plan (WMP) and offset study prepared by Monsoon Consultants, July 21, 2020. The WMP provides an analysis of different strategies for achieving the 1:1 water use offset. These strategies include:

- Retrofitting existing plumbing fixtures within the LOGWB;
- Removing existing irrigated crops;
- Elimination of the current sheep grazing operation;
- Retrofitting existing irrigation systems within the LOGWB;
- The use of reverse osmosis (RO) permeate pumps in existing residences to reduce water demand. Retrofitting existing RO systems with permeate pumps was determined to be the preferred alternative. According to the WMP, most homes in Los Osos contain RO systems as a way to reduce total dissolved solids (TDS) for drinking water, dishwashing and ice making. A typical RO system wastes 8 – 10 gallons of water produced. According to the WMP, and efficient way to reduce the amount of wastewater produced is to install a permeate pump to into an existing undercounter RO

system. The permeate pump uses the wasted energy of the RO reject water pressure to drive the product water into the storage tank against the back pressure of the air bladder. This enables the product water to be made against little to no backpressure. The storage tank is filled 2 to 4 times faster with the permeate pump and this shuts off the RO reject sooner, saving water. According to data provided in the WMP, a permeate pump installed in a typical residential RO system can save 33 gallons per day. Therefore, to achieve an offset of 3.5 AFY, at least 95 existing RO systems will need to be retrofitted.

With the exception of the removal of existing irrigated crops, any of these strategies may satisfy the requirements of measures W-1 and W-2. According to the 2014 Integrated Water Management Plan, water demand from irrigated vegetable crops within the LOGWB is, on average, about 1.84 AFY per acre over about 966 acres of irrigated crop land. According to studies performed by the non-profit Pacific Institute and others (CALFED, 2000 and 2006; Cooley et al., 2009) the installation of water conserving fixtures such as drip irrigation can reduce agricultural water demand by up to 17 to 22 percent when compared with spraying or flood irrigation. If the per acre demand on a target retrofit site is reduced by 17 percent (from 1.9 AFY to 1.57 AFY) through the implementation of water use efficiencies, the project would need to retrofit about: 3.5 AFY offset divided by 0.33 AFY/acre reduction = 10.6 acres.

Water use is required to be metered and these data will be provided to the County every three months (quarterly). Should the metered water demand exceed the permitted quantity (3.5 AFY), the permittee will be required to undertake corrective measures to bring water demand back to within the permitted amount. In addition, the project is conditioned to apply BMPs for water conservation to maintain water use at or below the water analysis projections as described in the applicant's Water Management Plan, and the conditions of approval require the project to participate in the County's ongoing cannabis monitoring program to ensure compliance with all conditions of approval and other relevant regulations.

Offsetting the water demand of the proposed project in accordance with the CWWCP and as required by measures W-1 and W-2 would result in a net-neutral water demand on the groundwater basin, therefore, impacts related to available surface or ground water would be *less than significant with mitigation.*

(c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces, in a manner which would:

(c-i) Result in substantial erosion or siltation on- or off-site?

The project would result in approximately 3.0 acres of site disturbance but will not require extensive grading, excavation or cut and fill. A sedimentation and erosion control must prepared to minimize the potential for soil erosion, which would be subject to the review and approval of the County Building Division in accordance with CZLUO Section 23.05.120 to minimize potential impacts related to erosion, and includes requirements for specific erosion control materials, setbacks from creeks, and siltation.

The project would be required to comply with all National Pollution Discharge Elimination System (NPDES) requirements and prepare a SWPPP that incorporates BMPs during construction. Water quality protection measures would include protection of stockpiles, protection of slopes, protection of all disturbed areas, protection of access roads, and perimeter containment measures. Therefore, potential impacts associated with erosion and siltation from substantial alteration of the existing on-site drainage pattern would be *less than significant.*

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

The project would result in an increase in impervious surface area on the Eastern Lease Area property as a result of construction of a two new greenhouses and a flowering building (about 40,100 total sf) and associated flatwork.

The project would be subject to post-construction stormwater requirements through preparation and implementation of a SWPPP, which would identify appropriate BMPs to capture and treat runoff before it leaves the site. The preliminary grading, drainage, and erosion control plan prepared for the project also identifies measures such as hydroseeding of all disturbed surfaces and installation of fiber rolls throughout the site to slow runoff and capture sediment. Based on required compliance with applicable state and County drainage and stormwater control regulations, the project's impacts associated with increased surface runoff resulting in flooding on- or off-site 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 be subject to post-construction stormwater requirements through preparation and implementation of a SWPPP, which would identify appropriate BMPs to capture and treat runoff before it leaves the site. Based on required compliance with applicable state and County drainage and stormwater control regulations, the project's impacts associated with increased surface runoff resulting in exceedance of the capacity of existing or planned drainage systems or provide substantial additional sources of polluted runoff would be *less than significant.*

(c-iv) Impede or redirect flood flows?

Based on the County Flood Hazard Map, the Eastern Lease Area is not located 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, *no impacts would occur.*

As discussed above under item (a), the project has been designed to take advantage of the existing drainage infrastructure constructed as part of the LOWWRF. The project has been conditioned to provide final grading, erosion and sedimentation control plans for review and approval prior to building permit issuance as required by CZLUO Section 23.05.036.

The Eastern Lease Area is not located within a 100-year flood plain and the amount of increased impervious surfaces is not expected to exceed the capacity of stormwater conveyances or increase downslope flooding.

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

Based on the Safety Element Flood Hazard Map, the Eastern Lease Area is not located within a 100-year flood zone (County of San Luis Obispo 2013). Based on the San Luis Obispo County Tsunami Inundation Maps, the Eastern Lease Area is not located in an area with potential for inundation by a tsunami (CDOC 2019). The Eastern Lease Area is not located within close proximity to a standing body of water with the potential for a seiche to occur. Therefore, the Eastern Lease Area has no potential to release pollutants due to project inundation and *no impacts would occur*.

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

The project is located within the LOGWB, which is categorized as being in a state of critical overdraft, and is located outside the area that is categorized as being in severe decline (County of San Luis Obispo 2018), and is required to offset water usage at a 1:1 ratio per CZLUO requirements. The project applicant would be required to offset this new water use through installation of efficient water systems and fixtures and/or participation in an approved water conservation program, as detailed in mitigation measures W-1 and W-2. Therefore, potential impacts associated with conflict or obstruction of a water quality control plan or sustainable groundwater management plan would be *less than significant with mitigation*.

Conclusion

Compliance with existing regulations and/or required plans in addition to implementation of mitigation measures W-1 and W-2, identified below would adequately reduce potential impacts associated with hydrology and water quality to be less than significant.

Mitigation

W-1 **Prior to issuance of building permits (or prior to occupancy if no building permits are required)**, all applicants for cannabis related activities within the Los Osos Groundwater Basin ("Basin") shall provide to the Department of Planning and Building for review and approval a Water Conservation Plan with a package of measures that, when implemented, will achieve the water demand offset required by CZLUO Sections 23.08.418 d. 5, 23.08.420 c.1, and Building Ordinance Section 19.07.042 (4). The Water Conservation Plan shall include the following:

a. A detailed inventory of net new water demand associated with all cannabis-related activities including cultivation, nursery activities, manufacturing, and processing as applicable. The inventory and estimate of water demand shall be prepared by an Agricultural Engineer, or other licensed engineer or qualified professional as approved by the Director of Planning and Building. The quantification of water demand shall be expressed in total acre-feet per year, and shall be consistent with the Water Management Plan required by CZLUO Sections 23.08.418 d. 5, and 23.08.420 c.1.

b. A program for achieving a water demand offset of **3.50 AFY** as required by CZLUO Sections 23.08.418 d. 5, 23.08.420 c.1, and Building Ordinance Section 19.07.042 (4). The water demand offset for all cannabis-related activities shall be 2:1 within the Area of Severe Decline and 1:1 elsewhere within the Basin. Such a program may include, but is not limited to, the following:

i. The permanent installation of water facilities and/or infrastructure to improve the efficient use of water on existing irrigated agricultural lands within the Basin. Such improvements shall be accompanied by an audit of existing agricultural water demand prepared by an Agricultural Engineer, or other licensed engineer or qualified professional as approved by the Director of Planning and Building. Water efficiency improvements may include, but are not limited to, the following:

- Drip irrigation;
- Smart controllers. Irrigation controllers that are climatologically controlled without human intervention, that adjust irrigation based on the amount of moisture lost from soil and plant material since the previous irrigation by utilizing climate data (evapo-

transpiration rates) broadcast to the controller from the California Irrigation Management Information System and other sources, and that have been tested and certified 100% for irrigation adequacy and schedule shall be installed and maintained on all irrigated and landscaped areas.

- Installation of float valves on water tanks to prevent tanks from overflowing;
- Converting from using overhead sprinklers to wind machines for frost protection; [Note: The installation of wind machines shall be included in the project description for cannabis activities and subject to environmental review.]
- Installation of rainwater catchment systems to reduce demand on groundwater. [Note: The installation of rainwater catchment facilities shall be included in the project description for cannabis activities and subject to environmental review.]

ii. Participation in an approved water conservation program within the Los Osos Groundwater Basin that is verifiable, results in a permanent reduction of water demand equal to, or exceeding, the required water demand offset, and has been subject to environmental review.

iii. Any combination of the above or other qualifying strategies or programs that would achieve the required water demand offset.

c. The water demand offset documented by the Water Conservation Plan shall be verifiable and permanent, and shall not result in adverse environmental effects beyond those assessed by the CEQA compliance document for the proposed cannabis project.

W-2 **At the time of quarterly monitoring inspection,** the applicant shall provide to the Department of Planning and Building for review, evidence that the water efficiency improvements associated with the approved Water Conservation Program remain in full effect and are continuing to achieve the required water demand offset associated with the approved cannabis activities of 3.50 AFY.

Sources

See Exhibit A.

XI. LAND USE AND PLANNING

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Physically divide an established community?	☐	☐	☒	☐
(b)	Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☒	☐	☐

Setting

Surrounding uses are identified on Page 2 of the Initial Study. The proposed project was reviewed for consistency with policy and/or regulatory documents relating to the environment and appropriate land use (e.g., County CZLUO, Estero Area Plan, SLOAPCD CEQA Handbook, etc.). Referrals were sent to outside agencies to review for policy consistencies (e.g., County Fire/CAL FIRE for Fire Code, SLOAPCD for Clean Air Plan, etc.).

The CZLUO was established to guide and manage the future growth in the county in accordance with the County of San Luis Obispo General Plan; regulate land use in a manner that will encourage and support orderly development and beneficial use of lands; minimize adverse effects on the public resulting from inappropriate creation, location, use, or design of buildings or land uses; and protect and enhance significant natural, historic, archeological, and scenic resources within the county. The CZLUO is the primary tool used by the County to carry out the goals, objectives, and policies of the General Plan.

The Coastal Zone Land Use Element (CZLUE) of the County of San Luis Obispo General Plan 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 CZLUE identifies strategic growth principles to define and focus the County's proactive 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 CZLUE 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 parcel and surrounding properties are all within the Agriculture land use designation. The project site is currently developed with a single family residence and agriculture accessory structures.

The CZLUE also contains the area plans for the coastal planning areas: Estero, North Coast and San Luis Bay Coastal Area 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 coastal urban and village areas.

Initial Study – Environmental Checklist

The proposed project is subject to the following Planning Area Standard(s) as found in Chapter 7, of the Estero Area Plan (Planning Area Standards):

- Compliance with exterior lighting standards.
- Water offsets for projects within the LOGWB.
- Consistency with the Estero Rural Area Standards that limit uses for lands defined in the Agriculture and Open Space Element as Row Crop Terrain and Soils. Allowable uses include cannabis cultivation and cannabis nurseries.

The areawide standards set forth requirements for resource protection, land division and development design, circulation, water quality, coastal access and recreation, light and glare, shoreline development and for the LOGWB (as discussed in Section X of this initial study).

Discussion

(a) Will the project 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*.

(b) Will the project 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?

Cannabis activities, such as those contemplated by this project, are allowed in the Agriculture land use category subject to the relevant provisions of CZLUO Section 23.08. The project, as it may be conditioned, is consistent with the CZLUO and with the applicable Planning Area Standards of the Estero Area Plan.

The project would be consistent with the property's land use designation and the guidelines and policies for development within the applicable area plan, CZLUO, 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 Estero 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 project would be required to implement measures to mitigate potential impacts associated with aesthetic resources, biological resources, energy, greenhouse gas emissions, hazards and hazardous materials, and hydrology and water quality; 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 associated with aesthetic resources, biological resources, energy, greenhouse gas emissions, hazards and hazardous materials, and hydrology and water quality.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.

XII. MINERAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	☐	☐	☐	☒
(b)	Result in the loss of availability of a locally- important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☒

Setting

The 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 (California PRC 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 [CGS] 2015):

- **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 CZLUO 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 California 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 Eastern Lease Area is not located within an area that has been evaluated for mineral resources and is not in close proximity to an active mine (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 Eastern Lease Area 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, there would be *no impact*.

(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?

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, there would be *no impact.*

Conclusion

The project will have no effect on the availability of mineral resources.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.

Initial Study – Environmental Checklist

XIII. NOISE

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project result in:					
(a)	Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☒	☐
(b)	Generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☒	☐
(c)	For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☒

Setting

The Noise Element of the County of San Luis Obispo 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, and 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 (dBA). A-weighting de-emphasizes the very low and very high frequencies of sound in a manner similar to the human ear.

The CZLUO 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.

Table 13 -- Maximum allowable exterior noise level standards[1]

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

[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.

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 480 feet southwest of the project area.

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?*

Temporary (Construction Related) Noise. The County CZLUO 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, traffic on public roadways, railroad line operations, and aircraft in flight are also exempt.

Project construction activities would generate short-term construction noise. Noise generated during the construction period would be temporary in nature and limited to the daytime hours of 7:00 a.m. to 9:00 p.m. Monday through Friday, and 8:00 a.m. to 5:00 p.m. on Saturday or Sunday, in accordance with County construction noise exception standards (CZLUO 23.06.062). Due to its limited duration and compliance with construction time limits set out in the CZLUO, project construction would not conflict with surrounding uses or nearby noise-sensitive receptors.

Operational Noise. The project proposes the use of an HVAC and odor management systems 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 greenhouse and flowering building would be expected to generate noise levels of approximately 70 dBA at distance of 5 feet from the source. Noise attenuates (diminishes) at a rate of 6 dB per doubling of distance (OSHA

Technical Manual, Section III, Chapter 5). As proposed, the flowering buildings will be located 63 feet from the eastern property line. The new greenhouses will be about 135 feet from the nearest (eastern) property line. These locations would result in HVAC noise generation of approximately 42 dBA and 33 dBA, respectively which is below the County hourly average and peak nighttime noise standard.

After completion of the construction period, the project would not generate loud noises or conflict with surrounding uses; therefore, impacts related to temporary increases in ambient noise and exposure of people to severe noise or vibration 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 project is not located within a designated Airport Review Area and there are no active private landing strips within the vicinity. Therefore, there would be *no impact* associated with proximity to an airport or airstrip.

Conclusion

No significant long-term change in noise levels would occur. Short-term construction-related noise would be limited in nature and duration and would only occur during appropriate daytime hours. Therefore, potential noise impacts would be *less than significant* and no mitigation is required.

Mitigation

None are required.

Sources

See Exhibit A.

XIV. POPULATION AND HOUSING

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	☐	☐	☒	☐
(b)	Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☒	☐

Setting

The Housing Element of the County of San Luis Obispo General Plan 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 provide limited financing to projects relating to affordable housing throughout the county.

The Eastern Lease Area 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 semi-rural area and would employ up to 8 full-time. 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.*

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

The existing residence on the Eastern Lease Area may be occupied by one or two of the employees. Therefore, the project would not displace existing housing or necessitate the construction of replacement housing elsewhere; therefore, impacts would be *less than significant.*

Conclusion

No significant population and housing impacts would occur as a result of the proposed project.

Mitigation

None are required.

Sources

See Exhibit A.

XV. PUBLIC SERVICES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(a)	Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:	☐	☐	☒	☐
	Fire protection?	☐	☐	☒	☐
	Police protection?	☐	☐	☒	☐
	Schools?	☐	☐	☒	☐
	Parks?	☐	☐	☒	☐
	Other public facilities?	☐	☐	☐	☒

Setting

Fire Protection. Fire protection and emergency medical services are provided by CAL FIRE/County Fire through an agreement with the Los Osos Community Services District (LOCSD). The South Bay Fire Station (Station 15), located at 2315 Bayview Heights Drive, serves Los Osos and nearby areas beyond the Urban Reserve Line, providing fire prevention and emergency medical services. For most calls within Los Osos, CAL FIRE response times vary from four to seven minutes. The response times are within the performance standards as outlined in the CAL FIRE/San Luis Obispo County Strategic Plan.

Law Enforcement. Los Osos relies on the County Sheriff and the California Highway Patrol for police protection services. The primary station serving the community is the Sheriff's coast station, located in Los Osos at 2099 10th Street. The Sheriff's substation in Los Osos serves a large geographic area that extends from Avila Beach to the Monterey County line. Response times for the Sheriff's office vary, based on allocated personnel, existing resources, time and day of week and prioritized calls for law enforcement services. Response times to the Eastern Lease Area where cannabis activities are proposed are expected to be 5 – 10 minutes.

Other services, including investigative and emergency dispatch services, are provided the County Operations Center on Kansas Avenue, midway between Morro Bay and San Luis Obispo near Highway 1. Additional police protection services are provided by the California Highway Patrol (CHP). The nearest Highway Patrol office is located near the California Boulevard-Highway 101 interchange in San Luis Obispo.

Schools. Los Osos is served by the San Luis Coastal Unified School District. Residents attend Monarch Grove Elementary, and Baywood Elementary School, and Los Osos Middle School, all of which are located within the community, as well as Morro Bay High School within the City of Morro Bay.

Solid Waste. Mission Country Disposal provides garbage collection and recycling services within Los Osos, transporting solid waste to Cold Canyon Landfill at 2268 Carpenter Canyon Road, between the cities of San Luis Obispo and Arroyo Grande.

At Cold Canyon Landfill, waste is processed at the Resource Recovery Park (RRP) and Materials Recovery Facility (MRF). The landfill does not compost, but green waste and wood waste are processed (chipped/ground) for either use as cover for the working face of the landfill, or being hauled to another out-of-county facility. Commercial operations that use roll-off services and/or construction and demolition waste removal services may choose any permitted hauler.

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.). Fees are assessed annually by the County based on the type of proposed development and proportional impact and collected at the time of building permit issuance. Fees are used as needed to finance the construction of and/or improvements to facilities required to the serve new development.

Discussion

(a) *Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, the 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. The project was reviewed by County Fire/CAL FIRE and a referral response letter was received detailing requirements for the applicant to implement into the project to comply with County Fire/CAL FIRE standards. Based on the limited amount of development proposed, the project would not result in a need for new or altered fire protection services. 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.* Additional information regarding fire hazard impacts is discussed in Section 7, Hazards and Hazardous Materials.

Police protection?
The applicant has prepared a Security Plan subject to the review and approval of the County Sheriff's Department. 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 development impact fees to offset the project's 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/Housing, the project would not induce population growth and would not result in the need for additional school services or facilities. However, the project would be

subject to school impact fees, pursuant to California Education Code Section 17620, to help fund construction or reconstruction of school facilities. Therefore, 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

See Exhibit A.

XVI. RECREATION

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(a)	Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☒	☐
(b)	Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	☐	☐	☒	☐

Setting

The Parks and Recreation Element (Recreation Element) of the County of San Luis Obispo General Plan establishes goals, policies, and implementation measures for the management, renovation, and expansion of existing parks and recreation facilities 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 8 full-time employees. 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 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

See Exhibit A.

XVII. TRANSPORTATION

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

Setting

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

The County has established the acceptable Level of Service (LOS) on roads for this rural area as "C" or better. Both roadways are currently operating at an acceptable level of service in the project vicinity. The Eastern Lease Area where cannabis activities are proposed currently has one residence and generates a very low volume of traffic.

In 2013 SB743 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 SB743 and identified 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. Also in December, 2018, the Office of Planning and Research (OPR) published a Technical Advisory On the Evaluation of Transportation

Impacts In CEQA to assist local governments in implementing the new VMT requirements. The 2018 Technical Advisory states that a development project that generates less than 110 average daily trips (ADT) will not have a project-specific or cumulatively considerable impact with respect to vehicle miles travelled.

The Western Lease Area takes access from Sombrero / Turri Road. Access to the Eastern Lease Area is provided by a private road extending north from the Clark Valley Road / Los Osos Valley Road intersection. This road also provides access to the LOWWRF. There are no traffic counts available for this access road; however, counts taken by the County in 2016 on Los Osos Valley Road in the vicinity of the project site showed an average daily traffic volume of 14,731 and a PM peak hour volume of 1,474. Los Osos Valley Road was been assigned a Level of Service II by the 2014-2016 Resource Management System Summary Report. This means that the roadway was expected to be operating at Level Of Service D by the year 2018.

A referral was sent to Public Works to assess the proposed project's impacts to the roads and compliance with County driveway standards. The project is not subject to the Los Osos Area Road Improvement Fee.

Discussion

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

Construction Impacts. Construction related traffic will increase during the morning and afternoon peak hours on Los Osos Valley Road and Clark Valley Road. Based on the project information, it is expected that as many as 3 workers may be arriving and leaving the Eastern Lease Area where cannabis activities are proposed on a typical construction workday. Assuming 3 PM peak hour trips on Los Osos Valley Road, traffic will increase by less than 1% per day for a construction timeframe of one to two months. The temporary increase in traffic on Los Osos Valley Road and Clark Valley Road will not reduce the level of service which will remain within the standard set by the General Plan Circulation Element.

Operational Impacts

Roadway Capacity. A trip generation study was provided for the project (Central Coast Transportation Consulting, October, 2018). The study estimates that the cannabis project would generate 14 average daily trips and a total of 2 PM peak hour trips. The additional 2 PM peak hour trips on Los Osos Valley Road will increase the traffic volume by less than 1% per day. 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 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*.

The project does not conflict with adopted policies, plans and programs on transportation.

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

The County of San Luis Obispo is developing a model and method for evaluating vehicle miles traveled for proposed land use development projects. This program will incorporate the State's direction and recommended screening criteria for types of projects that would not have an impact to circulation due to Vehicle Miles Traveled (VMT). This screening criteria includes small projects that generate low levels of traffic or VMT. The State screening level equates to 110 average daily trips (ADT). According

to the trip generation factors applied by the project's trip generation study, the project is expected to generate 14 ADT which is below the screening threshold of 110 ADT. Therefore, the project will not conflict with, or be inconsistent with, CEQA Guidelines Section 15064.3 and potential impacts are *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. There is a clear line of sight in both directions at the Clark Valley Road intersection with Los Osos Valley Road. Project impacts associated with a substantial increase in hazards due to a geometric design feature will 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 cannabis 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.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.

XVIII. TRIBAL CULTURAL RESOURCES

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(a)	Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
	(i) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	☐	☐	☒	☐
	(ii) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resource Code Section 5024.1, the lead agency shall consider the significance of the resource to a California Native American tribe.	☒	☐	☒	☐

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

Setting

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, AB52 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 AB52 Cultural Resources requirements, outreach to four Native American tribes has been conducted: Northern Salinan, Xolon Salinan, tiṭu tiṭu yak tiłhini Northern Chumash, and Northern Chumash Tribal Council.

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 AB52. The Eastern Lease Area 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 CZLUO 23.05.140 (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.

(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?

There are no resources on the Eastern Lease Area listed, or eligible for listing, in the California Register of Historic Resources, or in a local register of historical resources. Based on the Phase I archaeological investigation performed for the Eastern Lease Area where cannabis activities are proposed, there are no significant resources on the Eastern Lease Area within the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1.

Lastly, in accordance with AB52 cultural resources requirements, outreach to numerous Native American tribes has been conducted: Monterey Salinan, Xolon Salinan, yak titᵡu titᵡu yak tiłhini Northern Chumash, and Northern Chumash Tribal Council. No significant resources within the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1 relating to the significance of the resource to a California Native American tribe were identified.

Conclusion

The project will have a less than significant impact on tribal cultural resources. No archaeological monitoring is recommended during grading activities unless previously undiscovered cultural materials are unearthed during project grading or construction. Per County of San Luis Obispo Coastal Zone Land Use Ordinance Section 23.05.040, if during any future grading and excavation, buried or isolated cultural materials are unearthed, work in the area should be halted immediately within 10 feet of the find until the find can be examined by a qualified archaeologist and appropriate recommendations made. No significant impacts to cultural resources are expected to occur and no additional mitigation measures are necessary.

Mitigation

No mitigation measures are required.

Sources

See Exhibit A.

XIX. UTILITIES AND SERVICE SYSTEMS

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project:					
(a)	Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	☐	☐	☒	☐
(b)	Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?	☐	☒	☐	☐
(c)	Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	☐	☐	☐	☒
(d)	Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	☒	☐
(e)	Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?	☐	☐	☒	☐

Setting

The County Department of Public Works 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 on-site 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 Department of Public Works is responsible for ensuring that new construction sites implement BMPs during construction, and that site plans incorporate appropriate post-construction stormwater runoff controls. Construction sites that disturb 1 acre or more must obtain coverage

under the SWRCB's Construction General Permit. PG&E is the primary electricity provider and both PG&E and SoCalGas provide natural gas services for urban and rural communities within the county. The cannabis project would be served by a domestic well for water and an existing septic system/ 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 construction of new water or wastewater treatment facilities or expansion of existing 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*.

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

As discussed in Section X, Hydrology and Water Quality, the project cultivation irrigation activities would result in approximately 3.5 acre-feet of water demand per year, served by an existing groundwater well. The project is located within the LOGWB, which is categorized as being in a state of critical overdraft, and is required to offset water usage at a 1:1 ratio per CZLUO requirements. Per the CWWCP, the project applicant will be required to offset this new water use at a 1:1 ratio through installation of efficient water systems and fixtures and/or participation in an approved water conservation program, as detailed in mitigation measures W-1 and W-2. Offsetting the water demand of the proposed project in accordance with the CWWCP would result in a net-neutral water demand on the groundwater basin, therefore, impacts related to water supplies would be *less than significant with mitigation*.

(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 be served by an individual on-site wastewater system and would not be connected to a community wastewater service provider. Therefore, *no impacts would occur*.

(c) *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?*

Mission Country Disposal provides garbage collection and recycling services within Los Osos, transporting solid waste to Cold Canyon Landfill at 2268 Carpenter Canyon Road, located between the cities of San Luis Obispo and Arroyo Grande.

Currently, the maximum permitted throughput to the landfill is limited to 1,650 tons per day (CalRecycle 2016). However, the Cold Canyon Landfill recently received approvals from the County and the state in

2013 to allow continued waste expansion and disposal operations through 2040. With planned expansions through 2040, the maximum total throughput would increase to 2,050 tons (City of San Luis Obispo 2014). The landfill has a design capacity of 23,900,000 cubic yards (cy) and a remaining capacity of 14,500,000 cy, or 60.7 percent which is more than enough to serve the project. The project will recycle and compost green waste before disposal. Therefore, potential impacts associated with solid waste disposal are considered *less than significant*.

(d) 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 wastewater or stormwater infrastructure and facilities. No substantial increase in solid waste generation would occur. Because the project is located in the LOGWB, there is a potential for impacts related to groundwater supply. Mitigation is required to ensure the project offsets its water demand and net-neutral impact on the basin. Therefore, potential impacts to utilities and service systems would be less than significant with mitigation.

Mitigation

Implement mitigation measures W-1 and W-2.

Sources

See Exhibit A.

Initial Study – Environmental Checklist

XX. WILDFIRE

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:					
(a)	Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	☒	☐
(b)	Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrolled spread of a wildfire?	☐	☐	☒	☐
(c)	Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☒	☐
(d)	Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage changes?	☐	☐	☒	☐

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

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 CAL FIRE 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 project would be located within the State Responsibility Area in a moderate fire hazard severity zone. According to San Luis Obispo General Plan Safety Element Emergency Response Map, average emergency response time to the Eastern Lease Area is 4-7 minutes (San Luis Obispo County 1999).

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 Safety Element of the County of San Luis Obispo General Plan 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, developing and implementing mitigation efforts to reduce the threat of fire, requiring fire resistant material 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 EOP outlines the emergency measures that are essential for protecting 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*.

(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 site is located within a State Responsibility Area. Based on the County's fire response time map, it would take approximately 5-10 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 River Road to accommodate emergency vehicle access, vegetation clearing or trimming around all existing and proposed structures, and installation of water storage tanks 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 slight to moderate slopes. The prevailing winds on the Eastern Lease Area are from the west during the daytime hours and slightly eastward (offshore) at night. A wildfire originating to the west could expose project occupants to pollutant concentrations associated with smoke. However, given the nature of the surrounding land uses and the moderate risk of wildfire, the project is not expected to exacerbate wildfire risks.

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 west (October-April). As described in Section 6, Geology and Soils, the potential for landslides in the project area is low to moderate, and the project is not proposing disturbance in areas of steep slopes that would be conducive to the formation of debris flows. 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

No mitigation measures are required.

Sources

See Exhibit A.

XXI. MANDATORY FINDINGS OF SIGNIFICANCE

		Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
(a)	Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☒	☐	☐
(b)	Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	☐	☒	☐	☐
(c)	Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☒	☐	☐

Setting

The setting for cumulative impacts is described in each of the topical sections of this initial study.

Discussion

(a) *Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?*

As discussed in Section IV. Biological Resources and Section V. Cultural Resources, the project would not substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory. Additionally, compliance with mitigation measures BIO-1 through BIO-5 would mitigate potential direct and indirect impacts to special-status species, and nesting birds. Therefore, project impacts are *less than significant with mitigation*.

(b) *Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?*

The State CEQA Guidelines define cumulative impacts as "two or more individual effects that, when considered together, are considerable or which compound or increase other environmental impacts." Section 15355 of the State CEQA Guidelines further states that individual effects can be various changes related to a single project or the change involved in a number of other closely related past, present, and reasonably foreseeable future projects. The State CEQA Guidelines state that the discussion of cumulative impacts should reflect the severity of the impacts as well as the likelihood of their occurrence. However, the discussion need not be as detailed as the discussion of environmental impacts attributable to the project alone. Furthermore, the discussion should remain practical and reasonable in considering other projects and related cumulatively considerable impacts.

Existing and Reasonably Foreseeable Cannabis Facilities

In 2016, the County estimated that were as many as 500 unpermitted (illegal) cannabis cultivation sites within the unincorporated county. Assuming 0.5 acre per site, the canopy associated these activities could be as high as 250 acres. County Code Enforcement officers have successfully abated 82 operations, and there are currently approximately 225 total operations under investigation to date (May, 2020). Unpermitted cannabis operations are expected to continue to be abated throughout the county.

Table 14 below provides a summary of the maximum possible cannabis cultivation activities that could be approved through permit applications that have been received by the County to date (May, 2020). Each of these proposed activities is considered a reasonably foreseeable future project for the purposes of this cumulative impact analysis. It is important to note, however, that many proposed activities are subject to change during the land use permit process and a portion of these applications may be withdrawn by the applicant or denied by the County approving body. Figure 15 shows the project site along with other approved and proposed cannabis project sites within 5 miles of the proposed Eastern Lease Area, where cannabis activities are proposed.

For purposes of assessing the cumulative impacts of cannabis cultivation activities, the following assumptions have been made:

All 114 applications for cultivation sites would be approved and developed;

Each cultivation site would be developed with the maximum allowed cultivation uses:

a. 3 acres of outdoor cultivation;

b. 0.5 acres of indoor cultivation;

c. 19,000 square feet of ancillary nursery;

d. A total area of disturbance of 6.0 acres to include the construction of one or more buildings to house the indoor cultivation, ancillary nursery and processing;

e. A total of 4 full-time and 4 seasonal employees;

f. A total of 25 average daily motor vehicle trips; and

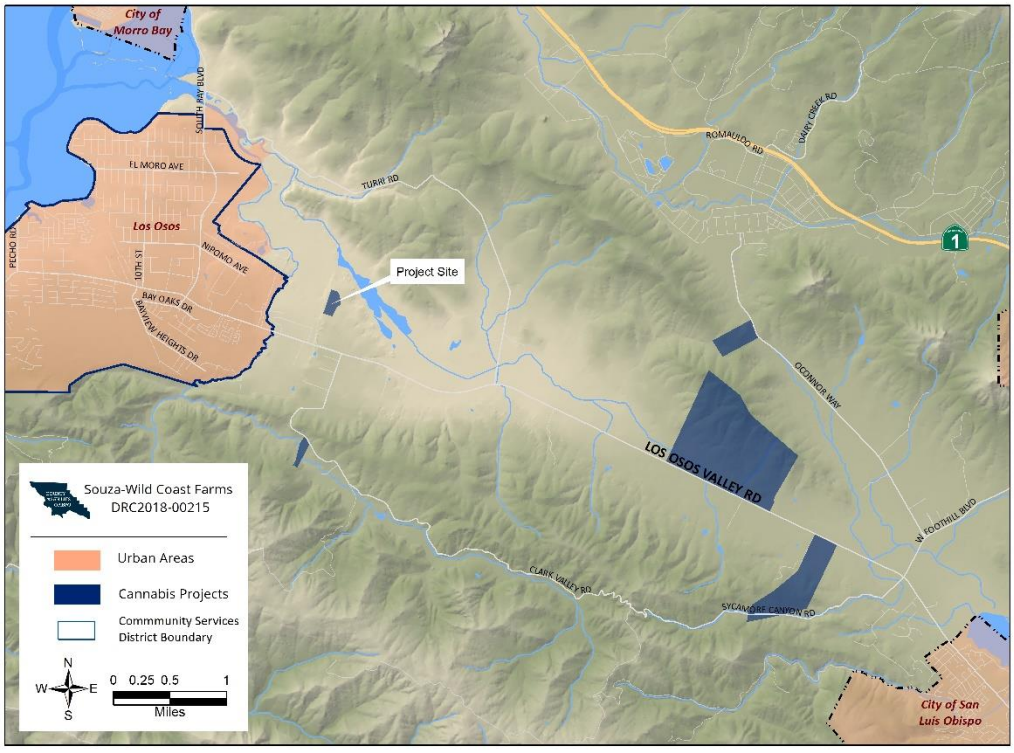
g. All sites will be served by a well and septic leach field.

Table 14 -- Summary of Cannabis Facility Applications for Unincorporated San Luis Obispo County[1]

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

Notes:
1. As of the date of this initial study.
2. Total number of all cannabis activities for which an application has been submitted to the County to date. A project site may include multiple cannabis activities.

Figure 15 -- Reasonably Foreseeable Cannabis Development In the Vicinity



Aesthetics

The analysis provided in Section I, Aesthetic and Visual Resources, provides an overview of the visual setting and concludes that the potential project-specific impacts would be less than significant with mitigation identified to eliminate off-site nighttime light overspill. The Eastern Lease Area is located in an area with 4 potential cannabis facilities within 5 miles (as of September, 2020). Surrounding proposed cannabis cultivation operations would require discretionary permits and environmental review if County staff determine they have the potential to result in potentially significant environmental effects, including potential impacts to visual resources. Based on the rural and agricultural visual character of the area, newly proposed structures visible from surrounding public roadways would undergo evaluation for consistency with the surrounding visual character and may be required to implement visual screening and/or other measures if County staff identify potential impacts to visual resources. Proposed cannabis cultivation projects, including use of mixed-light growing techniques, would be subject to standard County mitigation measures to eliminate off-site nighttime light overspill.

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

Agriculture and Forestry Resources

The analysis provided in Section II, Agriculture and Forestry Resources, indicates that the project would not result in the permanent conversion of Prime Farmland, based on the FMMP, and no potential impacts to forest land or timberland would occur. The project would not result in a conflict with existing zoning for agricultural use or Williamson Act contract. Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the project's potential impacts to agriculture and forestry resources is considered less than cumulatively considerable.

Air Quality

The analysis provided in Section III, Air Quality, concludes that the project's potential construction-related emissions would not exceed SLOAPCD thresholds of significance for construction emissions, and would therefore not result in a potentially cumulatively considerable contribution to the county's non-attainment status under state air quality standards for ozone and fugitive dust. Impacts associated with project construction, operations, and cumulative impacts would be less than significant.

The project is one of 114 land use permit applications for cannabis cultivation activities located within the county. All proposed cannabis cultivation operations located within the county would require discretionary permits and would be evaluated for their potential to result in potentially significant environmental effects, including potential impacts to air quality. These proposed cannabis cultivation projects would undergo evaluation for their potential to exceed applicable SLOAPCD thresholds and result in potentially cumulatively considerable contribution to the county's non-attainment status for ozone and/or fugitive dust. Proposed projects with the potential to exceed SLOAPCD thresholds would be subject to standard SLOAPCD mitigation measures to reduce potential air pollutant emissions to a less-than-significant level. These measures would also be applied for projects located within close proximity of sensitive receptor locations.

The Eastern Lease Area is located in an area with four reasonably foreseeable future cannabis cultivation facilities within 5 miles (as of September, 2020). The analysis provided in Section III, Air Quality, concludes that the project's potential other emissions (such as those leading to odor) would be less than significant based on the distance of proposed odor-emitting uses from the project property lines and proposed odor control technology to be implemented within the proposed cultivation greenhouses and processing structure. All surrounding proposed cannabis development projects would be required to comply with County CZLUO ordinance cannabis odor control requirements, including preparation of an odor control plan, minimum setback distances, and installation of sufficient ventilation controls to prevent odors from being detected off-site.

Therefore, based on the mitigation measures identified to reduce potential project impacts and CZLUO odor control requirements for all surrounding proposed cannabis cultivation projects, the contribution of the project's potential impacts to air quality are considered less than cumulatively considerable.

Biological Resources

The analysis provided in Section IV, Biological Resources, concludes that the project would have a less-than-significant impact upon implementation of the identified avoidance and mitigation measures for special-status wildlife species, nesting birds and their habitats, and water quality. With implementation of measures BIO-1 through BIO-5, potential impacts to biological resources would be less than significant.

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

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

Energy

Cannabis cultivation operations typically use an insignificant amount of natural gas. Accordingly, this assessment of cumulative energy impacts is based on electricity use. The analysis provided in Section VI, Energy, states that the project could result in an annual energy demand of 4,411,000 kWh per year.

Table 15 provides a summary of the estimated worst-case scenario of total electricity demand associated with development of all 114 proposed and/or approved cannabis cultivation projects with 22,000 square feet (0.5 acre) of mixed-light (indoor) cannabis cultivation based on the County of Santa Barbara Cannabis Energy Conservation Plan Electricity Use Calculation Form.

Table 15 indicates that electricity demand in San Luis Obispo County could increase by as much as 18% if all 114 cultivation projects are developed with 22,000 square feet of mixed-light cultivation and are approved. PG&E is required by state law (the Renewable Portfolio Standard) to derive at least 60% of their electricity from renewable sources by 2030. These sources are "bundled" and offered for sale to other Load Serving Entities (utility providers). Table 16 shows the percent increase in the projected 2030 demand for these bundled sources of electricity throughout PG&E's service area for, assuming

all 115 cultivation projects are developed with 22,000 square feet of mixed-light cultivation and approved.

The project's contribution to the overall increased demand for electricity would have the potential to result in potentially cumulatively considerable environmental impacts. Mitigation measures ENG-1 and ENG-2 require the applicant to prepare and implement an Energy Conservation Plan to identify strategies to reduce or offset for cannabis-related electricity demand. In addition, all proposed cannabis cultivation projects within the county would be subject to discretionary review by County staff. Indoor and mixed-light cultivation projects that are determined to have the potential to result in potentially significant impacts

Table 15 -- Projected Demand for Electricity From Approved and Reasonably Foreseeable Cannabis Cultivation Projects

Proposed Land Use	Total Electricity Demand from Proposed Cannabis Cultivation Projects[1] (Kilowatt-Hours/Year)	Total Electricity Demand (Gigawatt Hours/Year)	Electricity Consumption in San Luis Obispo County in 2018[2] (Gigawatt Hours)	Total Demand in San Luis Obispo County with Proposed Cannabis Cultivation (Gigawatt Hours/Year)	Percent Increase Over 2018 Electricity Demand
Mixed-light (indoor) Cultivation	203,643,000	203.6			
Outdoor Cultivation	119,572,200	119.6			
Total	**323,215,200**	**323.2**	**1,765.9**	**2,089**	**18%**

[1]Source: CalEEMOD 2016 v.3.2. Assumes 114 cultivation projects with 0.5 acre of mixed-light cannabis canopy.

[2]Source: California Energy Commission 2019.

Table 16 -- Projected Demand for Electricity From Approved and Reasonably Foreseeable Cannabis Cultivation Projects Compared With Projected PG&E 2030 Available Service Load

Increased Electricity Consumption in San Luis Obispo County with 115 Cannabis Cultivation Projects[1] (Gigawatt Hours/Year)	323
Projected PG&E 2030 Bundled Service Load[2] (Gigawatt Hours)	33,784
Percent Increase in 2030 Demand With Cannabis Cultivation	**0.95%**

[1]Source: CalEEMOD 2016 v.3.2. Assumes 115 cultivation projects with 3.5 acres of cannabis canopy.

[2]Source: Pacific Gas and Electric 2018, Integrated Resource Plan.

from their proposed energy use would be required to implement mitigation measures to reduce their energy demand. It is also important to note that while many proposed cannabis cultivation projects would result in new permitted facilities, a portion of these facilities are being proposed in existing buildings previously used for unpermitted cannabis cultivation activities or other uses. Therefore, the

estimated increases in energy demand provided in Tables 15 and 16 are assumed to be overestimations.

Based upon implementation of identified mitigation measures and discretionary review of other cultivation projects within the county, the project's environmental impacts associated with energy use would be less than cumulatively considerable.

Geology and Soils

As discussed in Section VII, Geology and Soils, the project is not located within an Alquist-Priolo Fault Hazard Zone and would be required to comply with the CBC and other applicable standards to ensure the effects of ground instability or a potential seismic event would be minimized through compliance with current engineering practices and techniques. Based on the volume and depth of proposed earthwork and potential sensitivity of the underlying geologic formation, the project's potential impacts to previously unknown paleontological resources would be less than significant.

All proposed cannabis cultivation operations located within the county would require discretionary permits and would be evaluated for their potential to result in potentially significant environmental effects, including potential impacts associated with geology and soils. These proposed cannabis cultivation projects would undergo evaluation for their potential to exacerbate geologic hazards and impact geologic resources, including paleontological resources. Projects identified to have potentially significant impacts associated with geology and soils would be required to implement mitigation measures to reduce these risks.

Based on implementation of identified mitigation measures and discretionary review of other cannabis cultivation projects within the county, cumulative impacts associated with geology and soils would be less than cumulatively considerable.

Greenhouse Gas Emissions

As discussed in Section VIII, Greenhouse Gas Emissions, with implementation of mitigation measure ENG-1, project related GHG emissions will fall below the interim working threshold of 690 MTCO2e and will be less than cumulatively considerable.

All proposed cannabis cultivation operations located within the county would require discretionary permits and would be evaluated for their potential to result in potentially significant environmental effects, including potential impacts associated with GHG emissions. These proposed cannabis cultivation projects would undergo evaluation for their potential to exceed applicable SLOAPCD GHG thresholds. Projects identified to have the potential to exceed the SLOAPCD GHG thresholds would be required to implement standard mitigation measures to reduce these potential impacts, including but not limited to, preparation of an Energy Conservation Plan and/or requiring enrollment in a clean energy program.

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

Hazards and Hazardous Materials

As discussed in Section IX, Hazards and Hazardous Materials, the project includes use of potentially hazardous materials, including ethanol, which could result in potential hazards through routine transport, use, and disposal as well as under upset or accident conditions. Mitigation measures HAZ-1 and HAZ-2 have been identified to reduce potential impacts by restricting the location of equipment

maintenance, refueling and other potentially hazardous activities, and identifying the appropriate response protocol for immediate cleanup of any spills.

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

Hydrology and Water Quality

As discussed in Section X, Hydrology and Water Quality, compliance with existing regulations and/or required plans in addition to implementation of mitigation measures W-1 and W-2 would adequately reduce potential impacts associated with hydrology and water quality to be less than significant.

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

The project is located within the LOGWB, which is categorized as being in a state of critical overdraft, and is located outside the area that is categorized as being in severe decline (Spring Well Decline 1997–2013; County of San Luis Obispo 2018). The project is the only application for cannabis cultivation located within the LOGWB submitted to date (September, 2020).

Table 17 -- Estimated Water Demand from Reasonably Foreseeable Cannabis Cultivation in LOGWB

Bulletin 118 Groundwater Basin[1]	Number of Reasonably Foreseeable Cultivation Projects	Total Estimated Water Demand From Cannabis Cultivation (AF/Year)[3]	Perennial Yield (AF)[1]
Los Osos Groundwater Basin (LOGWB)	2[2]	9.15	Approximately 2,760

[1] Source: Final Los Osos Basin Plan Groundwater Monitoring Program 2017 Annual Modeling Report.
[2] See Section X, Hydrology and Water Quality.

The project's proposed water use within a groundwater basin that is currently in critical overdraft would contribute to the overall cumulative impact of other proposed cannabis cultivation projects water use within the LOGWB. Mitigation measures W-1 and W-2 would require the project applicant

to offset the project's proposed water use at a 1:1 ratio within the LOGWB. All proposed cannabis cultivation projects located within the LOGWB would also be subject to discretionary review and would be required to offset proposed water use at least a 1:1 ratio in compliance with the Countywide Water Conservation Program. Proposed projects located in areas designated as being in severe decline would be required to offset proposed water use at a 2:1 ratio. Through water demand offsets and compliance with the Countywide Water Conservation Program, cumulative impacts associated with substantially decreasing groundwater supplies and/or interfering substantially with groundwater recharge would be reduced.

Therefore, based on recommended mitigation measures and compliance with existing policies and programs, project's individual impacts associated with hydrology and water quality would be *less than cumulatively considerable with mitigation.*

Noise

As discussed in Section XIII, Noise, noise associated with proposed HVAC and odor management systems would be less than significant.

Reasonably foreseeable future cannabis cultivation projects would require discretionary permits and would be reviewed by County staff for potentially significant environmental impacts, including impacts associated with noise. Future projects with potential to generate noise above County standards or noise that would adversely affect surrounding sensitive receptors would be required to implement measures to reduce associated impacts. In addition, most cultivation activities would be required to adhere to the established setback distances from property lines as detailed in the CZLUO and these setbacks would allow noises to dissipate to some degree before reaching surrounding land uses.

Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject project to potential noise impacts is considered less than cumulatively considerable.

Population and Housing

The most recent projection of regional growth for San Luis Obispo County is the 2050 Regional Growth Forecast (RGF) for San Luis Obispo County, prepared and adopted by SLOCOG in 2017. Using the Medium Scenario, the total county population, housing, and employment for both incorporated and unincorporated areas is projected to increase at an average annual rate of 0.50% per year. Between 2015 and 2050, the County's population is projected to increase by 44,000, or about 1,260 residents per year. Within the unincorporated area, the population is expected to increase by about 19,500 residents, or about 557 per year. Employment is expected to increase by about 6,441, or about 184 per year.

Cannabis cultivation activities typically employ 15 full-time workers and up to 7 additional seasonal workers during the harvest. The 2050 employment forecast does not account for employment in the cannabis industry because of the formerly illegal status of the industry. However, assuming 114 cultivation projects, total employment associated with cannabis cultivation could result in as many as 920 workers. It is most likely that these workers will be sourced from the existing workforce in San Luis Obispo County. If all 920 workers are new residents to the county, it would represent a 2% increase in the projected growth in population between 2015 and 2050. The small increase in projected population is not expected to result in a substantial increased demand for housing throughout the county. Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject

project to impacts related to housing and population is considered less than cumulatively considerable.

Public Services

The project and surrounding reasonably foreseeable future development would be subject to adopted public facility (County) and school (CGC Section 65995 et seq.) fee programs to offset impacts to public services. Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject project to potential public services impacts would be less than cumulatively considerable.

Transportation

As discussed in Section XVII, Transportation, the project would not result in a conflict with a plan or policy addressing the circulation system, or increase hazards due to a geometric design feature. Surrounding reasonably foreseeable future cannabis cultivation projects would be subject to discretionary review and potential impacts associated with these thresholds would be analyzed and required to be reduced on a case-by-case basis. Therefore, the project's potential impacts associated with these thresholds would be less than cumulatively considerable.

County Fire/CAL FIRE requirements will be enforced as conditions of approval.

The County Department of Public Works has derived trip generation rates for cannabis cultivation activities through the trip generation rates published by the Institute of Traffic Engineers. Table 18 provides an estimate of total average daily trips (ADT) and PM peak hour trips associated with buildout of the 114 currently proposed cannabis cultivation projects.

Table 18 -- Cumulative Average Daily Trips and VMT From Cannabis Cultivation

Use	Unit	ADT	Cannabis Cultivation	Total ADT	PM Peak Hour Trips	Vehicle Miles Travelled
Cultivation, Indoor (includes greenhouses, plant processing, drying, curing, etc.)	1,000SF*	0.27	2,530,000 sf	690	10.3	19,320
Cultivation, Outdoor (includes hoop house)	Acres*	2.00	345 acres	683	68.3	19,126
Seasonal Employees**	Employee	2.00	460 employees	460	460	12,880
Total:				**1,833**	**538.6**	**51,326**

Notes:
* Units based on gross square feet, acres, and employees.
** Seasonal Trips are adjusted based on the annual frequency.

The County of San Luis Obispo is developing a model and method for evaluating vehicle miles traveled for proposed land use development projects. This program will incorporate the State's direction and recommended screening criteria for types of projects that would not have an impact to circulation due to Vehicle Miles Traveled (VMT). This screening criteria includes small projects that generate low levels of traffic or VMT. The State screening level equates to 110 average daily trips (ADT). According to the trip generation factors applied by the Department of Public Works, the project is expected to generate about 14 ADT which is below the screening threshold of 110 ADT.

The most recent estimate of total VMT for the county is from 2013, at which time total VMT per day was estimated to be 7,862,000 VMT. Assuming a 1% annual growth in VMT during the intervening 6 years, the current daily total is estimated to be around 8,333,720 VMT. Accordingly, the VMT associated with proposed cannabis cultivation projects throughout the county is estimated to result in a very marginal increase in the total county VMT. The marginal increase in VMT is not expected to result in a reduction of the level of service on county streets and intersections. Moreover, each project will be required to mitigate the project-specific impacts to the transportation network. Such mitigation may include, but is not limited to, the installation of roadway and intersection improvements necessary to serve the project and the payment of applicable road improvement fees. Therefore, when considered with the potential impacts of other reasonably foreseeable cannabis cultivation projects in the unincorporated county, the contribution of the subject project to roadway impacts would be *less than cumulatively considerable*.

Other Impact Issue Areas

Based on the project's less-than-significant impacts and the discretionary review of all surrounding reasonably foreseeable future cannabis cultivation projects, the project's potential impacts associated with the following issue areas would be less than cumulatively considerable:

- Cultural Resources;
- Land Use Planning;
- Mineral Resources;
- Recreation;
- Tribal Cultural Resources;
- Utilities and Service Systems; and
- Wildfire.

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

Environmental impacts that may have an adverse effect on human beings, either directly or indirectly, are analyzed in each environmental resource section above. In addition, implementation of mitigation measures HAZ-1 and HAZ-2, and identified in in the resource sections above would reduce potential adverse effects on human beings to less than significant; therefore, impacts would be *less than significant with mitigation.*

Conclusion

Potential impacts would be less than significant upon implementation of mitigation measures identified in the resource sections above.

Conclusion

Project impacts would be less than significant and less than cumulatively considerable with mitigation.

Sources

See Exhibit A.

Exhibit A - Initial Study References and Agency Contacts

The County Planning Department has contacted various agencies for their comments on the proposed project. With respect to the subject application, the following have been contacted (marked with an ☒) and when a response was made, it is either attached or in the application file:

Contacted	Agency	Response
☒	County Public Works Department	**In File****
☒	County Environmental Health Services	**In File****
☒	County Agricultural Commissioner's Office	**In File****
☐	County Airport Manager	**Not Applicable**
☐	Airport Land Use Commission	**Not Applicable**
☒	Air Pollution Control District	**In File****
☒	County Sheriff's Department	**None**
☒	Regional Water Quality Control Board	**In File****
☒	CA Coastal Commission	**None**
☒	CA Department of Fish and Wildlife	**None**
☒	CA Department of Forestry (CAL FIRE)	**None**
☐	CA Department of Transportation	**Not Applicable**
☒	Los Osos Community Services District	**None**
☒	Other SLO County Building Division	**In File****
☒	Other United States Fish & Wildlife Service (USFWS)	**In File****
☒	Other Regional Water Quality Control Board (RWQCB)	**In File****
☒	Other AB32 list	**In File****
☒	Other SLO County Assessor's Office	**In File****
☒	Other Agricultural Preserve Review Committee	**In File****
☒	Other Los Osos Community Advisory Council (LOCAC)	**In File****

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

The following checked ("☒") reference materials have been used in the environmental review for the proposed project and are hereby incorporated by reference into the Initial Study. The following information is available at the County Planning and Building Department.

☒ Project File for the Subject Application

County Documents

☒ Coastal Plan Policies
☒ Framework for Planning (Coastal/Inland)
☒ General Plan (Inland/Coastal), includes all maps/elements; more pertinent elements:
- ☒ Agriculture Element
- ☒ Conservation & Open Space Element
- ☐ Economic Element
- ☐ Housing Element
- ☒ Noise Element
- ☒ Parks & Recreation Element/Project List
- ☒ Safety Element

☒ Land Use Ordinance (Inland/Coastal)
☐ Building and Construction Ordinance
☐ Public Facilities Fee Ordinance
☐ Real Property Division Ordinance
☐ Design Plan
☐ Specific Plan
☒ Annual Resource Summary Report
☐ Circulation Study

Other Documents

☒ Clean Air Plan/APCD Handbook
☒ Regional Transportation Plan
☒ Uniform Fire Code
☒ Water Quality Control Plan (Central Coast Basin – Region 3)
☒ Archaeological Resources Map
☒ Area of Critical Concerns Map
☒ Special Biological Importance Map
☒ CA Natural Species Diversity Database
☒ Fire Hazard Severity Map
☒ Flood Hazard Maps
☒ Natural Resources Conservation Service Soil Survey

Initial Study – Environmental Checklist

- ☐ Affordable Housing Fund for SLO County
- ☐ Airport Land Use Plan
- ☒ Energy Wise Plan
- ☒ Estero Area Plan Coastal Appeal Area
- ☒ GIS mapping layers (e.g., habitat, streams, contours, etc.)
- ☐ Other

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

Project application materials. The project application materials are incorporated by reference and available for review at the Department of Planning and Building 976 Osos Street, Suite 200, San Luis Obispo.

BSK Associates, February 2018, Water Quality Report

Central Coast Transportation Consulting, October 24, 2018, Project Trip Generation for Cannabis Cultivation Site at 2198 Los Osos Valley Road in the unincorporated San Luis Obispo County

Kevin Merk Associates, LLC, March 6, 2019, Biological Resources Assessment for the Wild Coast Farms Cannabis Cultivation Project, 2198 Los Osos Valley Road, Los Osos, San Luis Obispo County, California

Kevin Merk Associates, LLC, November 18, 2020, Supplemental Biological Resources Information for the Wild Coast Farms Cannabis Cultivation Project at 2198 Los Osos Valley Road, Los Osos, San Luis Obispo County, California

Monsoon Consultants, July 21, 2020, Water Management Plan for Wild Coast Farms Cannabis Cultivation Operation.

Pro-H2O Drilling & Pump Company, November 5, 2018, New Well Test Report

Terry Joslin, March 2019, Cultural Resources Survey of Wild Coast Farms Cannabis Cultivation, Los Osos, San Luis Obispo County, California

Agriculture Department Letter dated May 15, 2019

Air Pollution Control District San Luis Obispo County Letter dated March 26, 2019

SLO APCD, 2012, Greenhouse Gas Thresholds and Supporting Evidence

Assessor's Office Comments dated March 13, 2019

Building Division comments dated March 18, 2019

CAL FIRE Letter dated March 1, 2020

Central Coast Regional Water Quality Control Board Letter dated December 21, 2018

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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.

Aesthetic and Visual Resources

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 CZLUO Section 23.04.10.320, 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.

Biological Resources

BIO-1 **At the time of application for construction permits**, the applicant shall submit complete grading and drainage plans for review and approval in accordance with Section 23.05.040 (Drainage) of the CZLUO.

BIO-2 **At the time of application for construction permits**, the applicant shall submit complete erosion and sedimentation control plan for review and approval in accordance with Section 23.05.042 of the CZLUO.

BIO-3 **Pre-construction Survey for Sensitive and Nesting Birds.** If work is planned to occur between February 1 and September 15, a qualified biologist shall survey the area for nesting birds within one week prior to initial project activity beginning, including ground disturbance and/or vegetation removal/trimming. If nesting birds are located on or near the proposed project site, they shall be avoided until they have successfully fledged, or the nest is no longer deemed active.

a. A 50-foot exclusion zone shall be placed around non-listed, passerine species, and a 250-foot exclusion zone will be implemented for raptor species. Each exclusion zone shall encircle the

nest and have a radius of 50 feet (non-listed passerine species) or 250 feet (raptor species). All project activities, including foot and vehicle traffic and storage of supplies and equipment, are prohibited inside exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, or it has been determined by a qualified biologist that the young have fledged or that proposed project activities would not cause adverse impacts to the nest, adults, eggs, or young.

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

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

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

BIO-4 **California Red-legged Frog**. The following measures shall be implemented to mitigate potential impacts to CRLF:

a. Site preparation, including vegetation clearance, soil disturbance, and grading shall not occur: (a) during the typical rainy season (November 1 to April 1), (b) during the nighttime (between 30 minutes before dusk and 30 minutes after dawn), (c) during an actual or predicted rain event of 0.25-inches or greater or within 24 hours after an actual rain event, and (d) near isolated pools.

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

c. The Management Plan shall address items including, but not limited to: (a) monitoring that will occur during construction related activities (e.g., monitoring duration, time, frequency), (b) procedures if a California Red Legged Frog (CRLF) or other sensitive species is encountered during construction related activities, (c) pre-construction worker training, (d) the construction schedule proposed to minimize impacts to sensitive species (i.e., completing construction activities closest to potential CRLF habitat first), and (e) the filing of a post-construction report "lessons learned" on the effectiveness of the required measures.

d. Construction activities conducted during the wet season shall not occur: (a) during the nighttime (between 30 minutes before dusk and 30 minutes after dawn), or (b) during an actual or predicted rain event of 0.25-inches or greater, or within 24 hours after an actual rain event. All construction materials and equipment will be staged in the parking lot adjacent to the construction site at 2198 Los Osos Valley Road, CA. The applicant will complete construction

activities closest to potential CRLF habitat (Warden Creek) first, followed by activities that are further from the potential habitat.

BIO-5 Pre-construction surveys for Crotch bumblebee (CBB) and Western bumblebee (WBB). The following actions are undertaken to avoid and minimize potential impacts to Crotch Bumble Bee and Western Bumblebee:

a. Pre-construction Surveys - The applicant shall retain a County-qualified biologist to conduct pre-construction survey(s) for CBB and WBB within suitable habitat (i.e. small mammal burrows, grassland areas, upland scrubs) on the project site. Survey(s) can be conducted over an extended period of time to document and establish the presence of the bees within the areas of disturbance.

b. CBB/WBB Take Avoidance - If the survey(s) establish the presence of CBB or WBB within the areas of disturbance, the applicant shall retain a qualified biologist to prepare a Biological Resources Management Plan (Management Plan) subject to review and approval of the Department in consultation with CDFW. The Management Plan shall include at least the following:

   i. Avoidance measures to include a minimum 50-feet no-disturbance buffer from the documented location of CBB or WBB to avoid take and potentially significant impacts.

   ii. If suitable habitat is present and ground-disturbing activities will occur during the overwintering period (October through February), the applicant, in coordination with the Department, shall consult with CDFW to identify specific measures to be undertaken to avoid take as defined by the California Endangered Species Act (CESA).

   iii. Take Authorization - If CBB or WBB are detected prior to, or during project implementation, the applicant shall consult with CDFW to avoid take and/ or to obtain applicable take authorization.

Energy and Greenhouse Gas Emissions

ENG-1 Prior to issuance of building permits, the applicant shall provide to the Department of Planning and Building for review and approval, an Energy Conservation Plan with a package of measures that, when implemented, would reduce or offset the project's energy demand to within 20% of the demand associated with a generic commercial building of the same size. The Energy Conservation Plan shall include the following:

a. A detailed inventory of energy demand prepared by a Certified Energy Analyst. The inventory shall include an estimate of total energy demand from all sources associated with all proposed cannabis cultivation activities including, but not limited to, lighting, odor management, processing, manufacturing and climate control equipment. The quantification of demand associated with electricity shall be expressed in total kilowatt hours (kWh) per year; demand associated with natural gas shall be converted to kWh per year.

b. A program for providing a reduction or offset of all energy demand that is 20% or more than a generic commercial building of the same size. In this case, the estimated reduction or offset would be at least: 4,411,000 kWhr/yr – 1,022,550 kWhr/yr = 3,388,450 kWhr/yr; and the amount of energy not otherwise reduced or offset must not exceed 1,022,550 kWhr/yr. Such a program (or programs) may include, but is not limited to, the following:

i. Evidence that the project will permanently source project energy demands from renewable energy sources (i.e. solar, wind, hydro). This can include purchasing the project's energy demand from a clean energy source by enrolling PG&E's Solar Choice program or Regional Renewable Choice program or 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 **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 (e.g. providing a current PG&E statement or contract showing continuous enrollment in the Solar Choice program or Regional Renewable Choice program).

Hazards and Hazardous Materials

HAZ-1 **Equipment Maintenance and Refueling.** During all construction activities, the cleaning, refueling, and maintenance of equipment and vehicles shall occur only within designated staging areas. The staging areas shall conform to all Best Management Practices applicable to attaining zero discharge of stormwater runoff. At a minimum, all equipment and vehicles shall be checked and maintained on a daily basis to ensure proper operation and to avoid potential leaks or spills.

HAZ-2 **Spill Response Protocol.** During all construction activities, all project-related spills of hazardous materials shall be cleaned up immediately. Appropriate spill prevention and cleanup materials shall be onsite at all times during construction.

Hydrology and Water Quality

W-1 **Prior to issuance of building permits (or prior to occupancy if no building permits are required)**, all applicants for cannabis related activities within the Los Osos Groundwater Basin ("Basin") shall provide to the Department of Planning and Building for review and approval a Water Conservation Plan with a package of measures that, when implemented, will achieve the water demand offset required by CZLUO Sections 23.08.418 d. 5, 23.08.420 c.1, and Building Ordinance Section 19.07.042 (4). The Water Conservation Plan shall include the following:

a. A detailed inventory of net new water demand associated with all cannabis-related activities including cultivation, nursery activities, manufacturing, and processing as applicable. The inventory and estimate of water demand shall be prepared by an Agricultural Engineer, or other licensed engineer or qualified professional as approved by the Director of Planning and Building. The quantification of water demand shall be expressed in total acre-feet per year, and shall be consistent with the Water Management Plan required by CZLUO Sections 23.08.418 d. 5, and 23.08.420 c.1.

b. A program for achieving a water demand offset of **3.50 AFY** as required by CZLUO Sections 23.08.418 d. 5, 23.08.420 c.1, and Building Ordinance Section 19.07.042 (4). The water demand offset for all cannabis-related activities shall be 2:1 within the Area of Severe Decline and 1:1 elsewhere within the Basin. Such a program may include, but is not limited to, the following:

    i. The permanent installation of water facilities and/or infrastructure to improve the efficient use of water on existing irrigated agricultural lands within the Basin. Such improvements shall be accompanied by an audit of existing agricultural water demand prepared by an Agricultural Engineer, or other licensed engineer or qualified professional as approved by the Director of Planning and Building. Water efficiency improvements may include, but are not limited to, the following:

        a. Drip irrigation;

        b. Smart controllers. Irrigation controllers that are climatologically controlled without human intervention, that adjust irrigation based on the amount of moisture lost from soil and plant material since the previous irrigation by utilizing climate data (evapo-transpiration rates) broadcast to the controller from the California Irrigation Management Information System and other sources, and that have been tested and certified 100% for irrigation adequacy and schedule shall be installed and maintained on all irrigated and landscaped areas.

        c. Installation of float valves on water tanks to prevent tanks from overflowing;

        d. Converting from using overhead sprinklers to wind machines for frost protection; [Note: The installation of wind machines shall be included in the project description for cannabis activities and subject to environmental review.]

        e. Installation of rainwater catchment systems to reduce demand on groundwater. [Note: The installation of rainwater catchment facilities shall be included in the project description for cannabis activities and subject to environmental review.]

    ii. Participation in an approved water conservation program within the Los Osos Groundwater Basin that is verifiable, results in a permanent reduction of water demand equal to, or exceeding, the required water demand offset, and has been subject to environmental review.

iii. Any combination of the above or other qualifying strategies or programs that would achieve the required water demand offset.

c. The water demand offset documented by the Water Conservation Plan shall be verifiable and permanent, and shall not result in adverse environmental effects beyond those assessed by the CEQA compliance document for the proposed cannabis project.

W-2 **At the time of quarterly monitoring inspection,** the applicant shall provide to the Department of Planning and Building for review, evidence that the water efficiency improvements associated with the approved Water Conservation Program remain in full effect and are continuing to achieve the required water demand offset associated with the approved cannabis activities of 3.50 AFY.

Appendix A

California Department of Food and Agriculture (CDFA), CalCannabis Cultivation Licensing Division. CDFA has jurisdiction over the issuance of licenses to cultivate, propagate and process commercial cannabis in California and issues licenses to outdoor, indoor, and mixed-light cannabis cultivators, cannabis nurseries and cannabis processor facilities, where the local jurisdiction authorizes these activities. (Bus. & Prof. Code, § 26012, subd. (a)(2).) All commercial cannabis cultivation within the California requires a cultivation license from CDFA.

The project is also subject to the CDFA's regulations for cannabis cultivation pursuant to the Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA), including environmental protection measures related to aesthetics, cultural resources, pesticide use and handling, use of generators, energy restrictions, lighting requirements, requirements to conduct Envirostor database searches, and water supply requirements.

State law also sets forth application requirements, site requirements and general environmental protection measures for cannabis cultivation in Title 3, Division 8, Chapter 1 Article 4 of the California Code of Regulations. These measures include (but are not limited to) the following:

Section 8102 – Annual State License Application Requirements

(p) For all cultivator license types except Processor, evidence of enrollment in an order or waiver of waste discharge requirements with the State Water Resources Control Board or the appropriate Regional Water Quality Control Board. Acceptable documentation for evidence of enrollment can be a Notice of Applicability letter. Acceptable documentation for a Processor that enrollment is not necessary can be a Notice of Non-Applicability;

(q) Evidence that the applicant has conducted a hazardous materials record search of the EnviroStor database for the proposed premises. If hazardous sites were encountered, the applicant shall provide documentation of protocols implemented to protect employee health and safety;

(s) For indoor and mixed-light license types, the application shall identify all power sources for cultivation activities, including but not limited to, illumination, heating, cooling, and ventilation;

(v) Identification of all of the following applicable water sources used for cultivation activities and the applicable supplemental information for each source pursuant to section 8107;

(w) A copy of any final lake or streambed alteration agreement issued by the California Department of Fish and Wildlife, pursuant to sections 1602 or 1617 of the Fish and Game Code, or written verification from the California Department of Fish and Wildlife that a lake and streambed alteration agreement is not required;

(dd) If applicable, the applicant shall provide evidence that the proposed premises is not located in whole or in part in a watershed or other geographic area that the State Water Resources Control Board or the Department of Fish and Wildlife has determined to be significantly adversely impacted by cannabis cultivation pursuant to section 8216.

Section 8106 – Cultivation Plan Requirements

(a) The cultivation plan for each Specialty Cottage, Specialty, Small, and Medium licenses shall include all of the following:

(3) A pest management plan.

Section 8108 -- Cannabis Waste Management Plans

Section 8216 – License Issuance in an Impacted Watershed

If the State Water Resources Control Board or the Department of Fish and Wildlife notifies the department in writing that cannabis cultivation is causing significant adverse impacts on the environment in a watershed or other geographic area pursuant to section 26069, subdivision (c)(1), of the Business and Professions Code, the department shall not issue new licenses or increase the total number of plant identifiers within that watershed or area while the moratorium is in effect.

Section 8304 – General Environmental Protection Measures

(a) Compliance with section 13149 of the Water Code as implemented by the State Water Resources Control Board, Regional Water Quality Control Boards, or California Department of Fish and Wildlife;

(b) Compliance with any conditions requested by the California Department of Fish and Wildlife or the State Water Resources Control Board under section 26060.1(b)(1) of the Business and Professions Code;

(c) All outdoor lighting used for security purposes shall be shielded and downward facing;

(d) Immediately halt cultivation activities and implement section 7050.5 of the Health and Safety Code if human remains are discovered;

(e) Requirements for generators pursuant to section 8306 of this chapter;

(f) Compliance with pesticide laws and regulations pursuant to section 8307 of this chapter;

(g) Mixed-light license types of all tiers and sizes shall ensure that lights used for cultivation are shielded from sunset to sunrise to avoid nighttime glare.

Section 8305 – Renewable Energy Requirements

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

Section 8306 -- Generator Requirements

Section 8307 – Pesticide Use Requirements

(a) Licensees shall comply with all pesticide laws and regulations enforced by the Department of Pesticide Regulation.

Section 8308 – Cannabis Waste Management

<u>Bureau of Cannabis Control</u>

The retail sale of cannabis and/or cannabis products requires a state license from the Bureau of Cannabis Control.

The project may also be subject to other permitting requirements of the State and federal governments, as described below.

State Water Resources Control Board (SWRCB). The project may require issuance of a water rights permit for the diversion of surface water or proof of enrollment in, or an exemption from, either the SWRCB or Regional Water Quality Control Board program for water quality protection.

California Department of Fish and Wildlife (CDFW)

Lake or Streambed Alternation. Pursuant to Division 2, Chapter 6, §§1600-1602 of the California Fish and Game Code, CDFW regulates all diversions, obstructions, or changes to the natural flow or bed, channel, or bank of any river, stream, or lake, which supports fish or wildlife. CDFW defines a "stream" (including creeks and rivers) as "a body of water that flows at least periodically or intermittently through a bed or channel having banks and supports fish or other aquatic life. This includes watercourses having surface or subsurface flow that supports or has supported riparian vegetation." CDFW's definition of "lake" includes "natural lakes or man-made reservoirs." CDFW jurisdiction within altered or artificial waterways is based upon the value of those waterways to fish and wildlife.

If CDFW determines that a project may adversely affect existing fish and wildlife resources, a Lake or Streambed Alteration Agreement (SAA) is required. A SAA lists the CDFW conditions of approval relative to the proposed project, and serves as an agreement between an applicant and CDFW for a term of not more than 5 years for the performance of activities subject to this section.

California Endangered Species Act (CESA). The CESA ensures legal protection for plants listed as rare or endangered, and wildlife species formally listed as endangered or threatened. The state also maintains a list of California Species of Special Concern (SSC). SSC status is assigned to species that have limited distribution, declining populations, diminishing habitat, or unusual scientific, recreational, or educational value. Under state law, CDFW is empowered to review projects for their potential to impact special-status species and their habitats. Under the CESA, CDFW reserves the right to request the replacement of lost habitat that is considered important to the continued existence of CESA protected species.

Federal Endangered Species Act (FESA). FESA provides legislation to protect federally listed plant and animal species. Impacts to listed species resulting from the implementation of a project would require the responsible agency or individual to formally consult with the US Fish and Wildlife Service (USFWS) to determine the extent of impact to a particular species. If the USFWS determines that impacts to a federally listed species would likely occur, alternatives and measures to avoid or reduce impacts must be identified.

[i] Newhall Ranch Resource Management and Development Plan and Spineflower Conservation Plan: Final Additional Environmental Analysis. California Department of Fish and Wildlife SCH No. 2000011025, 12 June 2017: https://ceqaportal.org/ceqacase.cfm?cq_id=1612; https://wildlife.ca.gov/Regions/5/Newhall

DATE: November 24, 2020

DEVELOPER'S STATEMENT & MITIGATION MONITORING PROGRAM FOR SOUZA (WILD COAST FARMS) CONDITIONAL USE PERMIT (DRC2018-00215)

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-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 23.04.10.320, 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: Light pollution prevention plan shall be submitted for review and approval by the County Department of Planning and Building at the time of application for construction permits. Compliance will be verified by the County Department of Planning and Building.

BIOLOGICAL RESOURCES

BIO-1 At the time of application for construction permits, the applicant shall submit complete grading and drainage plans for review and approval in accordance with Section 23.05.040 (Drainage) of the CZLUO.

BIO-2 At the time of application for construction permits, the applicant shall submit complete erosion and sedimentation control plan for review and approval in accordance with Section 23.05.042 of the CZLUO.

Monitoring: Grading and drainage plans as well as a complete erosion and sedimentation control plan shall be submitted for review and approval by the County Department of Planning and Building at the time of application for construction permits. Compliance will be verified by the County Department of Planning and Building.

BIO-3: Preconstruction Survey for Sensitive and Nesting Birds. If work is planned to occur between February 1 and September 15, a qualified biologist shall survey the area for nesting birds within one week prior to initial project activity beginning, including ground disturbance and/or vegetation removal/trimming. If nesting birds are located on or near the proposed project site, they shall be avoided until they have successfully fledged, or the nest is no longer deemed active.

a. A 50-foot exclusion zone shall be placed around non-listed, passerine species, and a 250-foot exclusion zone will be implemented for raptor species. Each exclusion zone shall encircle the nest and have a radius of 50 feet (non-listed passerine species) or 250 feet (raptor species). All project activities, including foot and vehicle traffic and storage of supplies and equipment, are prohibited inside exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, or it has been determined by a qualified biologist that the young have fledged or that proposed project activities would not cause adverse impacts to the nest, adults, eggs, or young.

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

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

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

Monitoring: Evidence that preconstruction surveys for sensitive and nesting birds have been undertaken within the timeframe prescribed shall be provided to the Department of Planning Building. Compliance will be verified by the County Department of Planning and Building prior to, and during construction.

BIO-4 California Red-legged Frog. The following measures shall be implemented to mitigate potential impacts to CRLF:

a. Site preparation, including vegetation clearance, soil disturbance, and grading shall not occur: (a) during the typical rainy season (November 1 to April 1), (b) during the nighttime (between 30 minutes before dusk and 30 minutes after dawn), (c) during an actual or predicted rain event of 0.25-inches or greater or within 24 hours after an actual rain event, and (d) near isolated pools.

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

c. The Management Plan shall address items including, but not limited to: (a) monitoring that will occur during construction related activities (e.g., monitoring duration, time, frequency), (b) procedures if a California Red Legged Frog (CRLF) or other sensitive species is encountered during construction related activities, (c) pre-construction worker training, (d) the construction schedule proposed to minimize impacts to sensitive species (i.e., completing construction activities closest to potential CRLF habitat first), and (e) the filing of a post-construction report "lessons learned" on the effectiveness of the required measures.

d. Construction activities conducted during the wet season shall not occur: (a) during the nighttime (between 30 minutes before dusk and 30 minutes after dawn), or (b) during an actual or predicted rain event of 0.25-inches or greater, or within 24 hours after an actual rain event. All construction materials and equipment will be staged in the parking lot adjacent to the construction site at 2198 Los Osos Valley Road, CA. The applicant will complete construction activities closest to potential CRLF habitat (Warden Creek) first, followed by activities that are further from the potential habitat.

Monitoring: Evidence that preconstruction surveys for CRLF have been undertaken within the timeframe prescribed shall be provided to the Department of Planning Building. Compliance will be verified by the County Department of Planning and Building prior to, and during construction. Preparation, approval, and implementation of a Management Plan will be verified by the County Department of Planning and Building prior to, and during construction.

BIO-5 Pre-construction surveys for Crotch bumblebee (CBB) and Western bumblebee (WBB). The following actions are undertaken to avoid and minimize potential impacts to Crotch Bumble Bee and Western Bumblebee:

a. Pre-construction Surveys - The applicant shall retain a County-qualified biologist to conduct pre-construction survey(s) for CBB and WBB within suitable habitat (i.e. small mammal burrows, grassland areas, upland scrubs) on the project site. Survey(s) can be conducted over an extended period of time to document and establish the presence of the bees within the areas of disturbance.

b. CBB/WBB Take Avoidance - If the survey(s) establish the presence of CBB or WBB within the areas of disturbance, the applicant shall retain a qualified biologist to prepare a Biological Resources Management Plan (Management Plan) subject to review and approval of the Department in consultation with CDFW. The Management Plan shall include at least the following:

   i. Avoidance measures to include a minimum 50-feet no-disturbance buffer from the documented location of CBB or WBB to avoid take and potentially significant impacts.

   ii. If suitable habitat is present and ground-disturbing activities will occur during the overwintering period (October through February), the applicant, in coordination with the Department, shall consult with CDFW to identify specific measures to be undertaken to avoid take as defined by the California Endangered Species Act (CESA).

   iii. Take Authorization - If CBB or WBB are detected prior to, or during project implementation, the applicant shall consult with CDFW to avoid take and/ or to obtain applicable take authorization.

Monitoring: Evidence that preconstruction surveys for CBB and WBB have been undertaken within the timeframe prescribed shall be provided to the Department of Planning Building. Compliance will be verified by the County Department of Planning and Building prior to, and during construction. Preparation, approval, and implementation of a Biological Resource Management Plan will be verified by the County Department of Planning and Building prior to, and during construction.

ENERGY/GREENHOUSE GAS EMISSIONS

ENG-1 Prior to issuance of building permits, the applicant shall provide to the Department of Planning and Building for review and approval, an Energy Conservation Plan with a package of measures that, when implemented, would reduce or offset the project's energy demand to within 20% of the demand associated with a generic commercial building of the same size. The Energy Conservation Plan shall include the following:

a. A detailed inventory of energy demand prepared by a Certified Energy Analyst. The inventory shall include an estimate of total energy demand from all sources associated with all proposed cannabis cultivation activities including, but not limited to, lighting, odor management, processing, manufacturing and climate control equipment. The quantification of demand associated with electricity shall

be expressed in total kilowatt hours (kWh) per year; demand associated with natural gas shall be converted to kWh per year.

b. A program for providing a reduction or offset of all energy demand that is 20% or more than a generic commercial building of the same size. In this case, the estimated reduction or offset would be at least: 4,411,000 kWhr/yr – 1,022,550 kWhr/yr = 3,388,450 kWhr/yr; and the amount of energy not otherwise reduced or offset must not exceed 1,022,550 kWhr/yr. Such a program (or programs) may include, but is not limited to, the following:

   i. Evidence that the project will permanently source project energy demands from renewable energy sources (i.e. solar, wind, hydro). This can include purchasing the project's energy demand from a clean energy source by enrolling PG&E's Solar Choice program or Regional Renewable Choice program or 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 **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 (e.g. providing a current PG&E statement or contract showing continuous enrollment in the Solar Choice program or Regional Renewable Choice program).

Monitoring: The Energy Conservation Plan shall be submitted for review and approval by the County Department of Planning and Building at the time of application for construction permits. Compliance will be verified by the County Department of Planning and Building.

Hazards and Hazardous Materials

HAZ-1 Equipment Maintenance and Refueling. During all construction activities, the cleaning, refueling, and maintenance of equipment and vehicles shall occur only within designated staging areas. The staging areas shall conform to all Best Management Practices applicable to attaining zero discharge of stormwater runoff. At a minimum, all equipment and vehicles shall be checked and maintained on a daily basis to ensure proper operation and to avoid potential leaks or spills.

HAZ-2 Spill Response Protocol. During all construction activities, all project-related spills of hazardous materials shall be cleaned up immediately. Appropriate spill prevention and cleanup materials shall be onsite at all times during construction.

Monitoring: Required during all construction activities. Implementation and compliance will be verified by the County Department of Planning and Building.

Hydrology and Water Quality

W-1 Prior to issuance of building permits (or prior to occupancy if no building permits are required), **)**, all applicants for cannabis related activities within the Los Osos Groundwater Basin ("Basin") shall provide to the Department of Planning and Building for review and approval a Water Conservation Plan with a package of measures that, when implemented, will achieve the water demand offset required by CZLUO Sections 23.08.418 d. 5, 23.08.420 c.1, and Building Ordinance Section 19.07.042 (4). The Water Conservation Plan shall include the following:

a. A detailed inventory of net new water demand associated with all cannabis-related activities including cultivation, nursery activities, manufacturing, and processing as applicable. The inventory and estimate of water demand shall be prepared by an Agricultural Engineer, or other licensed engineer or qualified professional as approved by the Director of Planning and Building. The quantification of water demand shall be expressed in total acre-feet per year, and shall be consistent with the Water Management Plan required by CZLUO Sections 23.08.418 d. 5, and 23.08.420 c.1.

b. A program for achieving a water demand offset of **3.50 AFY** as required by CZLUO Sections 23.08.418 d. 5, 23.08.420 c.1, and Building Ordinance Section 19.07.042 (4). The water demand offset for all cannabis-related activities shall be 2:1 within the Area of Severe Decline and 1:1 elsewhere within the Basin. Such a program may include, but is not limited to, the following:

   i. The permanent installation of water facilities and/or infrastructure to improve the efficient use of water on existing irrigated agricultural lands within the Basin. Such improvements shall be accompanied by an audit of existing agricultural water demand prepared by an Agricultural Engineer, or other

licensed engineer or qualified professional as approved by the Director of Planning and Building. Water efficiency improvements may include, but are not limited to, the following:

a. Drip irrigation;

b. Smart controllers. Irrigation controllers that are climatologically controlled without human intervention, that adjust irrigation based on the amount of moisture lost from soil and plant material since the previous irrigation by utilizing climate data (evapo-transpiration rates) broadcast to the controller from the California Irrigation Management Information System and other sources, and that have been tested and certified 100% for irrigation adequacy and schedule shall be installed and maintained on all irrigated and landscaped areas;

c. Installation of float valves on water tanks to prevent tanks from overflowing;

d. Converting from using overhead sprinklers to wind machines for frost protection; [Note: The installation of wind machines shall be included in the project description for cannabis activities and subject to environmental review.]

e. Installation of rainwater catchment systems to reduce demand on groundwater. [Note: The installation of rainwater catchment facilities shall be included in the project description for cannabis activities and subject to environmental review.]

ii. Participation in an approved water conservation program within the Los Osos Groundwater Basin that is verifiable, results in a permanent reduction of water demand equal to, or exceeding, the required water demand offset, and has been subject to environmental review.

iii. Any combination of the above or other qualifying strategies or programs that would achieve the required water demand offset.

c. The water demand offset documented by the Water Conservation Plan shall be verifiable and permanent, and shall not result in adverse environmental effects beyond those assessed by the CEQA compliance document for the proposed cannabis project.

Monitoring: Water Conservation Plan to be submitted and approved by the Department of Planning and Building prior to the issuance of construction permits.

W-2 At the time of quarterly monitoring inspection, the applicant shall provide to the Department of Planning and Building for review, evidence that the water efficiency improvements associated with the approved Water Conservation Program remain in full effect and are continuing to achieve the required water demand offset associated with the approved cannabis activities of 3.50 AFY.

November 24, 2020

Monitoring: Compliance will be verified quarterly 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)	Date
	Adam Kirchner	11.27.20