Summary of Water Consumption for GREENHOUSE and OUTDOOR Cannabis Cultivation @ ENGRAINED LLC

880 PARKHILL RD., SANTA MARGARITA Permit No DRC2018-00188 (MISSING FROM THE SLO COUNTY SPREADSHEET) Exceptions to Applicants Environmental Submittals Water Management Water Demand Analysis and Summary

Sirs:

Based on the applicants **STATED DEMAND TOTAL OF 7.8 acre-feet/year** of combined greenhouse and outdoor water use, we hereby take exception to the demand factors this applicant has provided for this project as follows:

- 1) Our annual greenhouse water demand calculations project a 12.04 acre-feet/year demand (see attached).
- 2) Our annual outdoor water demand calculations project a 3.8 acre-feet/year demand (see attached)
- 3) The plant demand alone for these cultivation areas would more realistically assess a combined total of 15.84 acre-feet of ACTUAL annual demand or an 68% difference between the STATED and ACTUAL values.

We propose, based on the information contained herein, that if this project is allowed to operate, the applicant/licensee be required to install, within 60 days of their being noticed, new ultrasonic flow meters at all incoming and outgoing water systems that would account for all real time (TOU/BIM compatible) water distribution and discharge on this project. Furthermore, once the TOU/BIM metering has been installed, we ask that the flow levels be electronically monitored so that if at any point during a 12 month period the applicant/licensee exceeds the STATED acre-feet demand, there will be a operational penalty assessed as a result of the project submission under assessment.

We propose that if the STATED ANNUAL WATER DEMANDS are exceeded at any point during that 12 month period, then it would be agreed, in advance, that the applicant would pay a suggested Tier 1 rate of \$5/gal Environmental Water Tax (T1-EWT) on that overage up and until they exceeded it by more than 10% of the STATED VALUE. Once they exceed a 10% overage, they would be required to submit an AMENDED CEQA application where the applicants STATED ANNUAL WATER DEMANDS would match the REALITY of their operations. That AMENDED CEQA application would be given up to 120 days to be approved or denied. The applicant would be allowed to remain in operation for that 120 days but would be doing so under T2-EWT rates of \$10/gal for that metered water consumed. If the project is denied they will have 10 days to cease operations or be subject to fines which could include forfeiture of their property as it represents an environmental risk.

The bottom line is we all want, we ALL NEED honest assessments of what these commercial cannabis facilities are going to do to our environment and adjoining industries if the ACTUAL water demands exceed the STATED demands. We rely on our government to assure us that these projections are accurate. As is currently the case, there is no penalty for an applicant who would understate their water demands in these applications. With the information we have provided herein, the ball is now squarely in your court to make certain these environmental conditions are accounted for in your decisions.

Concerned Citizens

Summary of Water Consumption for GREENHOUSE Cannabis Cultivation @ ENGRAINED LLC

880 PARKHILL RD., SANTA MARGARITA Permit No DRC2018-00188 (MISSING FROM THE SLO COUNTY SPREADSHEET) Exceptions to Applicants Environmental Submittals Water Management Water Demand Analysis and Summary

Sirs:

Based on the applicants **STATED DEMAND TOTAL OF 7.8 acre-feet/year** of combined greenhouse and outdoor water use, we hereby take exception to the demand factors this applicant has provided for this project as follows:

- 1) For the purposes of this exercise, we are factoring a cannabis plants modestly assessed 2 gal/day water requirement when grown in a greenhouse. This value allows for an average consumption over the life of the plant. We will factor the area per plant water demand at 16 sq-ft per plant. This will account for a single mature flowering plant area calculation as well as multiple plants in that same area while in a vegetative state.
- 2) When completing CEQA applications the applicant will present the total sq-ft being considered for cultivation. As well as where the water will be coming from and how many gallons/day that operation will require. This will ultimately be converted into an acre-foot/year demand on whatever water supply will be feeding that applicant.

1 acre = 43,560 sq-ft

1 acre-foot = 325,851 gallons

3) Here is our project water demand analysis for a STATED 87,680 sq-ft (greenhouse canopy totals):

87,680 sq-ft (Total Area) ÷ 16 sq-ft (per plant area) = 5,480 plants

5,480 (plants) x 2 gal/day water = 10,960 gal/day water

 $10,960 \text{ (gal/day)} \div 325,851 \text{ (gal)} = 0.033 \text{ acre-feet/day}$

ACTUAL GREENHOUSE DEMAND: 0.033 X 365 days = 12.04 acre-feet/year

We propose this project, if allowed to operate, be required to install ultrasonic flow meters at all incoming and outgoing water systems that would account for all real time (BIM compatible) water distribution and discharge on this project.

Concerned Citizens

Summary of Water Consumption for OUTDOOR Cannabis Cultivation @ ENGRAINED LLC

880 PARKHILL RD., SANTA MARGARITA Permit No DRC2018-00188 (MISSING FROM THE SLO COUNTY SPREADSHEET) Exceptions to Applicants Environmental Submittals Water Management Water Demand Analysis and Summary

Sirs:

Based on the applicants **STATED DEMAND TOTAL OF 7.8 acre-feet/year** of combined greenhouse and outdoor water use, we hereby take exception to the demand factors this applicant has provided for this project as follows:

- 1) For the purposes of this exercise, we are factoring a cannabis plants modestly assessed 4 gal/day water requirement when grown outdoors. This value allows for an average consumption over the life of the plant. We will factor the area per plant water demand at 100 sq-ft per plant. This will account for a single mature flowering plant area calculation during a single 160 day grow cycle per year.
- When completing CEQA applications the applicant will present the total sq-ft being considered for cultivation. As well as where the water will be coming from and how many gallons/day that operation will require. This will ultimately be converted into an acre-foot/year demand on whatever water supply will be feeding that applicant.

1 acre = 43,560 sq-ft

1 acre-foot = 325,851 gallons

3) Here is our project water demand analysis for a STATED 86,680 sq-ft (outdoor canopy totals):

86,680 sq-ft (Total Area) ÷ 100 sq-ft (per plant area) = 866 plants

866 (plants) x 4 gal/day water = 3,464 gal/day water

 $3,464 \text{ (gal/day)} \div 325,851 \text{ (gal)} = 0.0106 \text{ acre-feet/day}$

ACTUAL OUTDOOR DEMAND: 0.0106 X 160 days = 3.8 acre-feet/year

We propose this project, if allowed to operate, be required to install ultrasonic flow meters at all incoming and outgoing water systems that would account for all real time (BIM compatible) water distribution and discharge on this project.

Concerned Citizens

Notice of Completion & Environmental Document Transmittal

Project Title:			
Lead Agency:			
Mailing Address:	Phone:		
City:	Zip: County:		
Project Location: County:			
Cross Streets:		Zip Code:	
Longitude/Latitude (degrees, minutes and seconds):°			
Assessor's Parcel No.:			
Within 2 Miles: State Hwy #:	Waterways:		
Airports:	Railways: Scho	ols:	
Document Type:	NEDA - D NOT - C :		
CEQA: NOP Draft EIR	NEPA: NOI Other:	Joint Document	
☐ Early Cons ☐ Supplement/Subsequent EI		Final Document	
Neg Dec (Prior SCH No.) Mit Neg Dec Other:	Draft EIS ☐ FONSI	Other:	
Mit Neg Dec Other:			
Local Action Type:			
General Plan Update Specific Plan	Rezone	☐ Annexation	
General Plan Amendment Master Plan	Prezone	Redevelopment	
General Plan Element Planned Unit Developme		Coastal Permit	
Community Plan Site Plan	Land Division (Subdivision, etc.)		
Development Type:			
Residential: Units Acres			
Office: Sq.ft. Acres Employees_	Transportation: Type		
Commercial:Sq.ft Acres Employees_			
Industrial: Sq.ft. Acres Employees		MW	
Educational:		MGD	
Recreational:	Hazardous Waste:Type		
Water Facilities: Type MGD	Other:		
Project Issues Discussed in Document:			
Aesthetic/Visual Fiscal	Recreation/Parks	Vegetation	
Agricultural Land Flood Plain/Flooding	Schools/Universities	Water Quality	
Air Quality Forest Land/Fire Hazard	Septic Systems	Water Supply/Groundwate	
Archeological/Historical Geologic/Seismic	Sewer Capacity	Wetland/Riparian	
☐ Biological Resources ☐ Minerals ☐ Coastal Zone ☐ Noise	☐ Soil Erosion/Compaction/Grading ☐ Solid Waste	Growth Inducement	
☐ Coastal Zone ☐ Noise ☐ Drainage/Absorption ☐ Population/Housing Bala		☐ Land Use☐ Cumulative Effects	
☐ Drainage/Absorption ☐ Population/Housing Balat ☐ Economic/Jobs ☐ Public Services/Facilities		Other:	

Reviewing Agencies Checklist

Applicant:
Address: City/State/Zip: Phone:
Address:City/State/Zip:
Address:
Applicant:
Ending Date
су)
Other:
Other:
Water Resources, Department of
Toxic Substances Control, Department of
Tahoe Regional Planning Agency
SWRCB: Water Rights
SWRCB: Water Quality
SWRCB: Clean Water Grants
State Lands Commission
Santa Monica Mtns. Conservancy
San Joaquin River Conservancy
San Gabriel & Lower L.A. Rivers & Mtns. Conservance
S.F. Bay Conservation & Development Comm.
Resources Recycling and Recovery, Department of
Resources Agency
Regional WQCB #
Public Utilities Commission
Pesticide Regulation, Department of
Parks & Recreation, Department of
Office of Historic Preservation Office of Public School Construction

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.

Attachment 1 - Notice of Completion

Project Description

A request by Engrained LLC for a Conditional Use Permit (DRC2018-00188) to establish 3 acres of outdoor cannabis cultivation, 21,840 square feet of indoor (mixed-light) cannabis cultivation, 21,840 square feet of commercial indoor (mixed-light) cannabis nursery, processing, manufacturing, and a non-storefront dispensary on a 77-acre parcel. Indoor cultivation and cannabis nursery cultivation would occur within 12 new greenhouses totaling 52,000-square feet. Processing activities (including drying and curing of cannabis grown on-site), non-volatile manufacturing activities, and cloning of nursery plants would occur within a proposed 20,000-square-foot building. Proposed non-storefront dispensary activities would occur within an existing 1,500-square-foot building on-site. The project also includes improvements of the existing property driveway, installation of four 320-square-foot seatrain containers for the storage of supplies, and installation of 12 5,500-gallon water tanks. The project would result in approximately 15.4 acres (670,383 square feet) of site disturbance on the 77-acre parcel, including 10,610 cubic yards of cut and 8,778 cubic yards of fill (net total of 19,388 cubic yards of earthwork) to be balanced on-site. The project site is located within the Agriculture land use designation at 4150 North Ryan Road, approximately 2.25 miles northeast of the community of Creston in the El Pomar-Estrella sub-area of the North County Planning Area, Supervisorial District 5.

The project property currently supports a rural single-family residence and a 1,500-square-foot accessory structure. Surrounding land uses include agricultural crop production and grazing, rural residential uses, and accessory structures.

The proposed cannabis activities would be implemented in sequential phases, as detailed in Table 1, below.

Table 1. Proposed Project Components and Phasing.

Phase	Project Components	Canopy Area/Floor Area
	Establish 3.0 acres of outdoor cannabis cultivation areas.	Within hoop structures: 1.01 acres Open air: 1.99 acres
Phase I Install four seatrain containers, two for pesticide storage and two for fertilizer/nutrition storage.		1,280 square feet total
	Installation of two portable restrooms.	N/A
	Implement on-site access road improvements.	N/A
	Establish indoor (mixed-light) cannabis cultivation within six proposed greenhouse structures with a total floor area of 26,208 sf.	21,840 square feet of cultivation canopy
Phase II	Establish commercial indoor (mixed-light) cannabis nursery cultivation within six proposed greenhouse structures (26,208 sf.) to be used to support on-site cultivation and off-site sales.	21,840 square feet of commercial nursery canopy

	Construct new steel building to be used for processing of cannabis grown onsite, manufacturing, and nursery cloning.	Drying/curing: 13,165 square feet Trimming: 2,010 square feet Manufacturing: 2,050 square feet Nursery cloning: 2,345 square feet, with 2,100 square feet of nursery canopy Other area (restrooms, break room, etc.): 430 square feet Total area: 20,000 square feet
	Installation of new grounded power lines with connections to existing PG&E infrastructure.	N/A
	Implement off-site access road improvements.	N/A
Phase III	Retrofit existing steel building for use as a non- storefront cannabis dispensary.	1,500 square feet

While the timeframe between each of the proposed phases has not been determined, for the purposes of this document, all three phases of proposed development are evaluated herein as the whole of the project.

Outdoor Cultivation

Approximately 1.99 acres (86,680 square feet) of the proposed outdoor cannabis canopy would occur inground in open air within a 1.62-acre (70,400-square-foot) cultivation area, and approximately 1.01 acres (44,000 square feet) of the proposed outdoor cannabis canopy would occur in raised beds within a total of 88 cannabis hoop structures within a 2.13-acre (92,944-square-foot) cultivation area. The open-air outdoor cultivation area would be harvested once per year, around mid-October. The outdoor cultivation area within hoop structures would be harvested two to three times per year, in April, June, and August.

Indoor (Mixed-Light) Cultivation

The project includes the construction of five 4,536-square-foot greenhouses and one 3,528-square-foot greenhouse to be utilized for indoor mixed-light cannabis cultivation (total of 26,208 square feet of cultivation area). The plants would be located on moveable benches and would include a total canopy area of 21,840 square feet. Additional area would be provided within the greenhouses for walkways and worker clearance, totaling 756 square feet in each 4,536-square-foot greenhouse and 588 square feet in the proposed 3,528-square-foot greenhouse. The canopy within these greenhouses would be harvested four times per year, in March, June, August, and November. Each greenhouse would be equipped with a heater unit, gable fans, horizontal air flow (HAF) fans, louvers, wall fans, cooling systems, odor control system, 1,000-watt grow lights, and internal blackout material systems.

Indoor (Mixed-Light) Nursery

The project includes the construction of five 4,536-square-foot greenhouses and one 3,528-square-foot greenhouse to be utilized for indoor mixed-light cannabis nursery cultivation to be used to support on-site cultivation activities as well as be sold off-site. The plants would be located on moveable benches and would include a total canopy area of 21,840 square feet. Additional area would be provided within the greenhouses

for walkways and worker clearance, totaling 756 square feet in each 4,536-square-foot greenhouse and 588 square feet in the proposed 3,528-square-foot greenhouse. Plants within the nursery greenhouses would remain in their vegetative stage until they are either transferred to a different cultivation area on-site following a harvest or transported off-site. These plants would occasionally be pruned, in which clippings would be transferred to the nursery cloning room of the proposed 20,000-square-foot processing and manufacturing building on-site. Each nursery greenhouse would be equipped with a heater unit, gable fans, horizontal air flow (HAF) fans, louvers, wall fans, cooling systems, odor control system, 432-watt grow lights, and internal blackout material systems.

Processing and Manufacturing

The proposed 20,000-square-foot building would include a 13,165-square-foot area for drying and curing of cannabis products, a 2,010-square-foot area for trimming of cannabis products, and a 2,050-square-foot area for manufacturing of cannabis products. All cannabis products processed and manufactured within this building would be from cannabis grown on-site. Proposed trimming activities would include use of a Mother Bucker Trimming Machine. Proposed manufacturing activities include closed-loop extraction through the use of an ethanol (C_2H_6O) extraction machine. Once cannabis products grown onsite are processed and/or manufactured, they would be transported off-site for testing, distribution, and sale. The building would also include two American Disability Act (ADA) compliant permanent restrooms, a breakroom, and a nursery cloning room, described below.

Nursery Cloning

The project includes a 2,345-square-foot area within the proposed 20,000-square-foot building to be utilized for a nursery cloning room, with 2,100 square feet of additional cannabis nursery canopy. Pruned branches of nursery plants grown on-site would be planted into individual rooting cubes and then placed within rooting trays, with approximately 50 cuttings per tray. These trays would then be placed beneath grow lights and watered for approximately a two-week time period until the roots protrude through the bottom of the rooting cubes. The plants would then be transplanted into larger pots and transferred to the cannabis nursery greenhouses on-site.

Non-storefront Dispensary

The project includes retrofitting an existing 1,500-square-foot building on-site to be used as a non-storefront dispensary. The dispensary would receive orders over the phone and online and would make up to four delivery runs per day. The non-storefront dispensary would include a secure storage area where cannabis products grown, processed, and manufactured on-site would be stored prior to delivery. One delivery vehicle would be utilized and would be kept onsite during non-delivery hours. Deliveries would be made to cities and counties within the State of California in which cannabis product deliveries are not prohibited.

Security

The project parcel is accessed from North Ryan Road, a public County-maintained road that terminates at the project site. The project includes installation of two new entry gates. An existing 3-strand wire fence runs along the property boundaries and additional 6-foot chain link fence with security slats would be installed to enclose each outdoor cannabis cultivation area. Security cameras would be installed at all outdoor cultivation area access points, along with locations providing an overall view of each cannabis cultivation area. Each of the proposed greenhouses for indoor cultivation and nursery would be equipped with locking doors and exterior security cameras. A 110-square-foot security room would also be included within the proposed processing and manufacturing building. The project does not include any new exterior lighting.

Odor Management

Each of the proposed outdoor cultivation areas would be located a minimum of 300 feet from all property lines. The project includes installation of a Fogco odor suppression system around the perimeter of each outdoor cultivation area. This odor system utilizes a proprietary odor control blend that is added to the water supply system and then pressurized, creating a fine fog. The system would release the high-pressure fog through a tubing system that would dampen cannabis odors by instigating a number of chemical reactions and neutralizing odor particles. These systems would operate 24 hours a day 7 days a week during the flowering period(s) of each outdoor cultivation area (i.e., one month per year for the open air cultivation area and three months per year for the hoop structure cultivation area).

Each of the six proposed greenhouses for indoor cannabis cultivation would be equipped with a Fogco high-pressure fog system, in addition to ventilation fans in order to treat cannabis odors as they exit the structures and prevent adverse odors from being detected offsite. The Fogco systems in each of these greenhouses would operate continuously for approximately four months each year, coinciding with the four flowering and harvest periods proposed for indoor cultivation areas within these structures.

The proposed 20,000-square-foot building would also be equipped with a Fogco high-pressure fog system, in addition to ventilation fans in order to treat cannabis odors as they exit the structure and prevent adverse odors from being detected offsite. The Fogco system of the 20,000-square-foot building would operate continuously for approximately four months each year, coinciding with the four flowering and harvest periods proposed for indoor cultivation areas on-site.

Water Management

Based on the Water Demand Analysis prepared for the project, project cultivation irrigation activities would result in approximately 7.80 acre-feet of water demand per year. The proposed FogCo odor control systems would result in the additional water demand of 288 gallons per month while it is in operation, or approximately 3,168 gallons per year (two systems running four months per year and one system running three months per year). Domestic water use for 15 full-time employees has been estimated to result in an additional 0.16 acre-foot per year. The project also includes planting of 11 new blue oak trees around the perimeter of the property and landscaping plantings around the proposed processing and manufacturing building, which would require marginal additional water supplies to establish until they reach maturity. The project water demand would be served by two existing groundwater wells, as well as a proposed well within the project property. A total of 12 5,500-gallon water tanks would be installed on the property for seasonal storage of irrigation water, and an additional 60,000-gallon water tank and new fire hydrant and pump would be installed on the property for fire suppression purposes.

Waste Management

All cannabis plant waste and soil would be composted onsite within a fenced compost area located between the two outdoor cultivation areas. Domestic solid waste would be collected in a garbage receptacle located next to the designated parking area which would be transported offsite to be emptied into a landfill once a week.

Two portable restrooms would be installed and utilized on-site during Phase 1 of the project and would be serviced regularly. A permanent restroom facility and shower would be included within the proposed processing and manufacturing building when constructed, which would require the installation of a new on-site septic system. Employees working within the proposed non-storefront dispensary would utilize the existing permanent restroom facilities located in the adjacent existing residence.

Operations

Upon completion of all three project phases, the project would employ up to 15 full-time employees (FTE)

and up to 7 seasonal employees to assist with harvesting activities. The project would operate 5 days a week between the hours of 7:00 a.m. and 4:00 p.m., with the non-storefront dispensary operating between the hours of 8:00 a.m. and 5:00 p.m.



TYLER MITCHELL SUPPLEMENTAL DEVELOPMENT STATEMENT CANNABIS CONDITIONAL USE PERMIT 4150 N. RYAN ROAD, CRESTON, CA 93432 APN (042-211-014)

PROJECT DESCRIPTION (June 2019)

Parcel Size: 78.48 Acres **APN:** 042-211-014

Address: 4150 North Ryan Road, Creston, CA 93432

Land Use Designation: AG **Williamson Act:** No

Water: On-Site Well Existing Uses: Residence

Access: North Ryan Road

The subject property consists of one parcel totaling 78.48 acres, located at 4150 North Ryan Road in Creston (APN 042-211-014), accessed off a dirt road from North Ryan Road, in the North County El Pomar-Estrella Sub Planning Area and zoned Agriculture. Existing uses on the site include a single-family residence (Permit C7645). The applicant also owns the adjacent parcel to the west totaling 72.63 acres (APN 042-211-013). A portion of the access road on the property was previously graded (Permit C2449).

Proposed Project

A request by Tyler Mitchell for a Conditional Use Permit to authorize the outdoor cultivation of cannabis totaling 3 acres of canopy, and the construction of 52,000 sq. ft. of greenhouse space for indoor cultivation totaling 22,000 sq. ft. of canopy (26,000 sq. ft. total greenhouse space) and vegetative nursery space totaling 22,000 sq. ft of canopy (26,000 sq. ft. total greenhouse space) for onsite use and offsite sales in 3 Phases. Supporting cultivation operations will include the construction of a 20,000 sq. ft. building to be used for drying/curing (13,165 sq. ft.), trimming (2,010 sq. ft.), manufacturing (2,050 sq. ft.) and a nursery cloning room (2,345 sq. ft). The final phase of the project includes retrofitting an existing 1,500 sq. ft. building for use as a non-retail storefront. The dirt road will be upgraded to an all-weather 20' wide road with 16' pinch points to provide adequate access to the new support buildings at the northern end of the parcel (per Cal Fire

recommendations). The property is utilizing registration CCM2016-00136. The proposed project has been designed in full compliance with LUO Section 4, Chapter 18322.30- Cannabis Activities as approved by the Board of Supervisors on November 27, 2017. For additional screening, 11 native blue oak trees will be planted as part of this project. The proposed project is located at 4150 North Ryan Road, Creston CA 93432, less than 1 mile southeast of California State Highway 41.

Subject Property

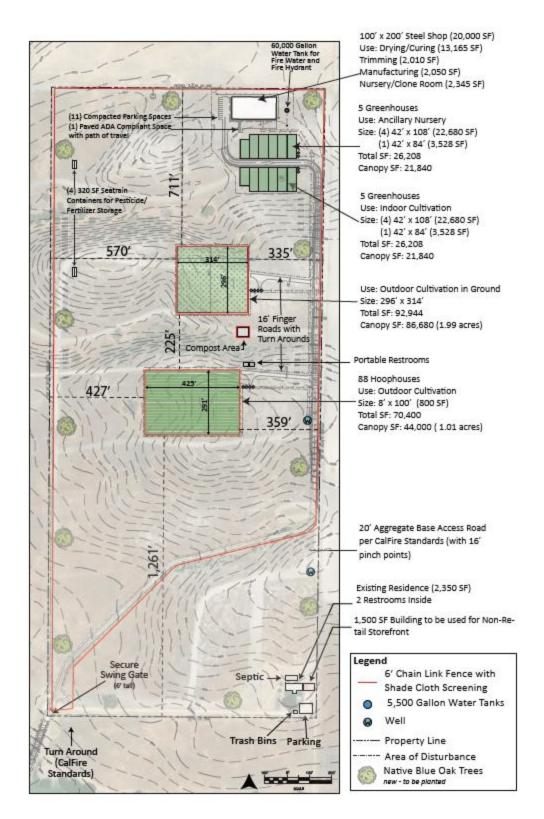
Figure 1: Vicinity Map

Table 1: Project Summary

Figure 2: Cultivation Area Site Plan

Phase	Structure Type	Use	Size	Count	Total SF	Walkway SF	Canopy SF
1	Hoop House	Outdoor Cultivation:	8' x 100'	88	70,400	26,400 SF	44,000
		Flowering			1.62 acres		1.01 acres
1	N/A plants only	Outdoor Cultivation:	296' x 314'	n/a	92,944	6,264 SF	86,680
	N/A plants only	Flowering			2.13 acres		1.99 acres
	TOTAL Outdoor Cultivation			163,344	32,664	132,000	
П	Greenhouse	Flowering	42' x 108'	5	22,680	3,780	18,900
			42' x 84'	1	3,528	588	2,940
			TOTAL Indoor Cul	tivation	26,208	4,368	21,840
		Nursery-Vegetative	42' x 108'	5	22,680	3,780	18,900
			42' x 84'	1	3,528	588	2,940
			TOTAL Nursery Area			4,368	21,840
			TOTAL Greenhouse	12	52,416	8,736	43,680
I	Storage	Pesticide	8' x 40'	2	640	n/a	
	Container	Nutrition	8' x 40'	2	640	n/a	
11		Drying/Curing	131'-6" x 100'		13,165	n/a	
	Steel Shop	Trimming	43'-10" x 45'	1	2,010	n/a	
	(20,000 SF)	Manufacturing	43'-10" x 46'		2,050	n,	/a
		Nursery-Cloning Room	21'-11" x 100'		2,345	n,	/a
Ш	Steel Building*	Non-Retail Storefront	25' x 60'	1	1,500	n,	/a

^{*}Existing building, to be retrofitted for new use.



The Project parcel is approximately 78 acres in size and consists of one legal parcel. The site is located on North Ryan Road which extends East and South of the project

site. The area is sparsely developed with very low densities and larger parcel sizes (40+ acres). The area's topography is primarily flat with slight hills towards the northern edge of the parcel, with 16 acres of the site between 10-20% slope and 62 acres of the site between 0-10% slope. The average slope within the site is 10%.

Outdoor Cultivation

There are two outdoor cultivation areas with a total canopy area of 3 acres and will occur in phase I of the project. One outdoor cultivation area will be 2.13 acres (88,000 SF canopy). The outdoor plants will be harvested once per year, around mid-October. The second outdoor cultivation area will consist of plants in 88 hoophouses (8'x100' each) with 5' raised beds running down the center of each hoop, totaling 1.62 acres (with 44,000 SF canopy). These outdoor hoop plants will be harvested 2-3 times per year, in April, June, and August. In order to maintain appropriate canopy limits, the plants will be trained along a trellis system which consists of netting and support post (t-post or lumber). The total outdoor cultivation canopy is 3 acres (130,680SF). Each cultivation area will include secure 6' chain link fencing with privacy slats and cut outs for Kit Fox passage around the perimeter. Compost will be located in the fenced area next to the lower hoop house cultivation area.

Indoor Cultivation

A total of 12 greenhouses, (5) 42' x 108' and (2) 42' x 84', with footings, will be constructed in phase II of the project. Indoor cultivation will occur within 6 of the greenhouses, totaling 26,208 sq. ft. The plants will be located on movable benches with a total canopy of 21,840 SF. Each 42' x 108' greenhouse will have a working clearance of 756 sq. ft. and each 42' x 84' greenhouse will have a working clearance of 588 sq. ft. The indoor cultivation will be harvested four times per year, in March, June, August, and November. The remaining 6 greenhouse space will be utilized for nursery space. The greenhouse doors will remain locked and the greenhouses will be equipped with exterior security cameras.

Vegetative Nursery

The remaining 6 greenhouses will be utilized for nursery space, totaling 26,208 sq. ft. of total area and 21,840 of canopy and will occur in phase II of the project. Plants grown in the nursery will be kept in their vegetative life cycle, using mostly sun and supplemental lighting to ensure they do not go into their flowering stage. These plants are maintained the same as any other cannabis plant except they do not

receive any fertilizers or additional nutrients that promote the onset of flowers. These plants will occasionally be pruned, and the branches cut during the pruning process will be saved and transferred over to the cloning room. After a harvest occurs, these plants will be transferred to the cultivation areas where they will complete their life cycle and mature into their flowering stage.

Drying, Processing, Manufacturing, and Export of Product

A new 20,000 sq. ft. building will be constructed in phase II of the project. This building will be utilized for a nursery cloning room (2,345 SF), drying /curing (13,165 SF), trimming (2,010 SF), and manufacturing (2,050 SF). Product taken into the manufacturing phase will comprise of 80% oil and 20% processed flower. The facility will utilize closed-loop extraction, via an Ethanol extraction machine. Ethanol extraction [C2H6O] is safe, effective and proven. Ethanol does not require high pressure like the other two popular solvents (supercritical CO2 and butane) and is listed as non-volatile in the California State Regulations. This structure will also include restrooms (ADA-compliant) once completed. In the interim, portable restrooms will be available onsite for employees (in addition to the existing 2 restrooms inside the residence). Once processed and/or manufactured, product will be taken off-site for final distribution and sale. The final phase of the project entails retrofitting an existing 1,500 sq. ft. building for a non-retail storefront.

Nursery Cloning Room

2,345 sq. ft. of the new 20,00 sq. ft. building will be used for a nursery cloning room and will be constructed in phase II of the project. The cloning room uses pruned branches from the vegetative nursery to grow new plants. The branches are places into individual rooting cubes and place into rooting trays, approximating 50 cuttings per tray. These trays are placed under fluorescent lighting for approximately 2 weeks until the roots protrude through the bottom of the rooting cubes. The plants are then transplanted into larger pots and transferred to the vegetative nursery until they are ready for their final planting in a cultivation area.

Approximate Grading Estimate

The proposed structures have been strategically placed on the flatter portions of the parcel to reduce grading. Overall the proposed structures would result in approximately 10,610 CY cut / 8,778 CY fill for a total site disturbance of 670,383 sq. ft. Onsite grading will occur in phase I while access road improvements will

occur in phase II of the project. See preliminary grading, drainage and erosion control plan attached prepared by Roberts Engineering, Inc.

Site Operations Plan

Access

The parcel is accessed from a 60' wide public easement road that varies in (find parcel maps attached), approximately 0.5 miles north of North Ryan Road, and a County maintained road (varying in width from 20 -30 feet) which extends to parcels South and West of the site. The access road, North Ryan Road, will be improved in phase II of the project to meet CalFire standards. Road improvements will include be two engineered culvert crossings on North Ryan Road. Since phase I will consist of only outdoor cultivation, no offsite access road improvements will be necessary until prior to the construction of the permanent structures proposed in phase II. A 20' improved all-weather road will be provided onsite, along with additional 16' finger roads in phase I of the project to provide access to the proposed cannabis use areas.

Security

The proposed security plan includes two entry gates that are to remain locked, 4k HD cameras with night vision capabilities, 3-strand barbed wire fencing along the property line, and 6' chain link fencing with privacy slats around the two outdoor cultivation areas. There is no outdoor lighting proposed. The storage containers and buildings not included within the 6' fencing will have secure locked doors. Security cameras will be placed at all cultivation area access points, along with a field of view of each cannabis area. Cultivation areas will have complete visual coverage through the network of 24/7 surveillance cameras. Packaged product ready for transport by licensed distributors will be stored in locked waterproof containers. The site will operate in full compliance with State Licensing requirements for track and trace which will further ensure adherence to security protocols. Please see attached Security Plan.

Odor Management

Odor from the cultivation areas is naturally mitigated by the distance to the nearest residence from the outdoor cultivation site being over 2,186 feet away. The outdoor cultivation area will be fenced for odor control and visual barrier purposes. An odor mitigating system by FogCo will be installed around the perimeter of the outdoor cultivation area and use tubes to deliver a fog/mist that captures odor. The

greenhouses and processing buildings will include charcoal or carbon filters, with ventilation and fans for odor mitigation. The proposed operations are not anticipated to cause any odor issues.



FogCo installed along fence line.



FogCo installed on greenhouse exhaust vents.

Signage

No exterior signage distinctive to the cannabis operation is proposed.

Parking

The property site provides ample parking areas for the operations and are not in conflict with any adjacent properties or uses. One designated parking area is located adjacent to the existing residence and one is adjacent to the new steel building and greenhouses.

Employee Safety

The proposed operations are primarily agricultural in nature and conducted according to controls in place for the industry for crop production, manufacturing, and non-store front dispensary operations. No public access to the site will occur at any time.

Traffic

Regular (existing) commercial operations result in 2 round trips per day in a commuter truck. There will be an additional 4 commercial deliveries per year for soil, nutrients, and farm supplies. This is within standards for the access road and standard agricultural operations for the property. At full operational capacity, the staffing levels will be up to 10 employees, including existing owner participation. Operating time would be approximately 7 am to 4 pm, 5 days a week. Harvest will occur for 7 days per month, 6 months out of the year (45 days max). An additional 5-7 seasonal employees will be onsite during this time, for a total of 15-17 employees. An organized carpool program will be established for the seasonal

employees. Product transport is anticipated after each harvest is dried and/or processed and will consist of 1 passenger van or utility vehicle accessing the site over the course of 1 week. A trip generation study was prepared by Orosz Engineering, Inc. (see table below). Upon completion of the final phase of the project, the non-retail storefront will have two of the employees and will make four deliveries per day, scheduled at 10am, 12pm, 3pm, and 7pm. Overall the project is anticipated to generate 43 average daily trips, with 4 PM peak hour trips on a typical weekday. The project is not expected to contribute to any significant traffic impacts in the vicinity.

		Proje	ct Trip	Generation		
Proposed	Siz	e	PI	HT Rates		PHT (Trips)
Outdoor Cultivation	3	AC	0	PHT/AC		0.0
Greenhouse	28	KSF	0.03	PHT/KSF		0.8
Drying/Curing/Processing	20	KSF	0.03	PHT/KSF		0.6
Manufacturing	3	KSF	0.67	PHT/KSF		2.0
Non-Retail Dispensary	0.8	KSF	0	PHT/KSF		0.0
					Total Proposed PHT	3.5
Proposed	Siz	e	А	DT Rates		ADT (Trips)
Outdoor Cultivation	3	AC	2	ADT/AC		6.0
Greenhouse	28	KSF	0.27	ADT/KSF		7.6
Drying/Curing/Processing	20	KSF	0.27	ADT/KSF		5.4
Manufacturing	3	KSF	3.93	ADT/KSF		11.8
Non-Retail Dispensary	0.8	KSF	15	ADT/KSF ¹		12.0
					Total Proposed ADT	42.8

Neighborhood Compatibility

Cannabis cultivation is consistent with allowed agricultural use of the property and surrounding area. There is no projected increase in noise level from this project. The distance of the cannabis operation to the nearest off-site residence is over 2,186 feet away. The outdoor cultivation area will be fenced for odor control and visual barrier purposes. An odor capturing system by FogCo will be installed around the perimeter of the outdoor cultivation site and use tubes to administer a fog that will capture odor. The greenhouse will include ventilation and fans for odor mitigation, and will be equipped with an inner blackout system to minimize nighttime light pollution. With these controls in place, and extended distance to any offsite residence, the proposed operations are not anticipated to cause any odor issues.

Wastewater and Green Waste

Hoop house cultivation will not produce any wastewater as all water is used within the planting environment. All green waste consisting of dead and/or stripped of flower plants and soil are composted onsite. Any other trash will be placed in a trash bin located next to the parking area and hauled off to a dump every week.

Sewage

No on-site subsurface sewage disposal system will be used. Portable restrooms will be available for employees during harvest (and in the interim until the Drying, curing, and processing building is constructed including employee restrooms) and will be utilized with regular service.

Pesticide and Fertilizer Usage

Pesticide and fertilizer usage will be conducted following organic farming practices and in accordance to the County of San Luis Obispo Department of Agriculture standards. The products to be used onsite are listed in Table 2. See attached Chemical Binder for individual material safety data sheets. The pesticides and fertilizers will be stored in the shipping containers that shall remained locked.

List of Pesticides and Fertilizers

LIST OF 1 C.	sucides and Fertilizers
Pesticides and Fungicides	Fertilizers and Amendments
 Monterey BT 	 Age Old Organics / grow
 Flying Skull / nuke em 	 Age Old Organics / bloom
 Green Cleaner 	 Vital Earth / grow
 Vital Earth / Grandevo 	Vital Earth / bloom
 Venerate 	 Vital Earth / fish powder
 SaferGro / mildew cure 	 Vital Earth / flower powder
 Serenade garden 	 Vital Earth / mega worm castings
 Regalia 	 Vital Earth / bat guano
Green cure	 Vital Earth / high phos sea bird guano
	 Sea Pal / fish emulsion
	 Stutzman / chicken manure
	 Roots Organics / nitrogen bat guano
	 Roots Organics / super phos bat guano
	 Sparetime / molasses
	 Sparetime / mocha bat guano
	Baseline / humic acid
	 PCG / seabird guano
	Earthjuice / bloom
	 The Guano Company / Budswel
	 Mission Fertilizer / CrayZ Swell

Hazardous Materials Plan/Employee Training and Safety

Employees will be trained on the proper administration of pesticides/fertilizers and spill clean-up practices. A monthly safety meeting will be held to review the most recent safety practices and ensure all employees are educated on inspection and reporting procedures should an event occur. Trash bins with lids will be located near the parking area for ease of transport to the local municipal dump.

- Inspection and Maintenance
 - Inspect equipment used onsite on regular basis. Look for any potential signs of fluid leakage.
 - Keep ample supplies of spill control and cleanup materials onsite, near storage, unloading, and maintenance areas.
- Reporting
 - Report significant spills to local agencies, such as the Fire Department;
 they can assist in the cleanup.
 - Notification should first be made by telephone and followed up with a written report.

Setbacks

The project meets all setback requirements. Land Use Ordinance Section 22.40.050 (D)(3)(b) requires outdoor cannabis cultivation sites to be setback 300' from all property lines and public rights of way. The outdoor hoop house cultivation areas will be at a 1,261' setback from the Southern property line, 427' setback from the Western property line, 359' setback from the Eastern property line and 1,292' from the Northern property line. The outdoor cultivation area consisting of plants grown in the ground will be 570' from the Eastern property line, 711' from the Northern property line, 335' from the Western property line and 1,777' from the southern property line. The nearest sensitive receptors (schools, parks, libraries, licensed recover facilities, et. al) are located well outside the 1,000' setback required by 22.30.D.1 (buffer map provided in plan set). The agricultural zoned parcel size of 78.48 acres meets the size requirement of 25 acres. Further, the property line is 883' away from the nearest offsite residence. The processing/manufacturing building is setback 30' from the northern property line and

Air Quality

The project is located on an existing agricultural site, with no grading required and organic practices utilized. The cannabis operation is situated on the center of the

property to reduce offsite impacts. Access is via a County-maintained unpaved road. There are two options for dust mitigation the applicant will choose between based on economic viability. One is to spread gravel over the road, and the second is a spray that locks in the dust (product by EnviRoad called Earthbind 100).

Screening and Fencing

The parcel is accessed from North Ryan Road, a public road that extends to parcels west and north beyond the site. An existing 3 strand wire fence runs along the property line. Additional 6' chain link fencing with privacy slats will be added around the cultivation area. Native blue oak trees are to be planted around the perimeter of the property for additional natural screening. Additional security controls as required by CDFA or BCC as required would be incorporated into existing operations, including security cameras, and fencing at key locations.

Water Management Plan

The property is in the Salinas/Estrella Water Planning Area, with a majority of the property in the Jackson and Reinhert Ranch Watershed and a portion in the Ryan Watershed. The project site is served by two existing groundwater wells that have historically served the property for agricultural use. An additional well will be installed for the cannabis operations. A total of (12) 5,500-gallon water tanks will be installed near each outdoor cultivation area, the nursery, and greenhouse. One 60,000-gallon water tank will be installed next to the processing/manufacturing building for fire water. No import of water is necessary or will occur in association with the proposed cannabis cultivation operations. Limited surrounding agriculture combined with high recharge potentials support the land use of commercial cannabis cultivation. The projected water usage is as follows (based on water demand analysis prepared by Cleath-Harris Geologists); the daily average anticipated per year is 7,106 gallons per day. The total annual water usage estimate is 7.96 AFY, including domestic water usage.

Estimated Irrigation Use Employee Water Usage

Cultivation Type	Canopy Area	Applied Water		
Cultivation Type	(square feet)	(feet/year)	(acre-feet per year)	
Outdoor flower	86,680	1.11	2.21	
Hoop house flower	44,000	1.91	1.93	
Greenhouse flower	21,840	3.91	1.96	
Greenhouse nursery	21,840	3.30	1.65	
Ancillary nursery	1,500	1.32	0.05	
TOTAL		•	7.8	

Use	Use Rate		Gross Demand (AFY)
Domestic Water Demand	15 employees x 10 gal/capita/day	54,750	0.16

Water Offset

The subject parcel falls within the Paso Robles Ground Water Basin. The applicant will pay the associated water offset fee.

Energy Use

The total annual estimated energy use for the cannabis operation is 779,033 kWh to 942,203 kWh. See the tables attached to the Electrical Estimate for an estimated energy use breakdown

Issues Requiring Special Consideration

Cultural Resources

A Phase I Archaeological Surface Survey was prepared by Heritage Discoveries, Inc. for all areas proposed for cannabis use onsite. The report produced negative results for the presence of cultural resources. See the report attached.

Biological Resources

The site is located within the San Joaquin Kit Fox corridor. The owner is willing to pay the fees associated with the 1:1 Kit Fox mitigation ratio as prescribed by the County's Kit Fox Mitigation Ratio Map. Offsite compensatory mitigation for Kit Fox

will be provided at the time of issuance of each building permit. It is anticipated that the project will result in up to 12.6 acres of impact to potential Kit Fox habitat.

A biological resources assessment is being prepared by Padre, Inc. The following measures were recommended to minimize the project's impacts to less than significant:

- Work Timing. All work activities shall be completed during daylight hours (between sunrise and sunset) and outside of rain events;
- Work Limits. The Project impact area shall be clearly marked or delineated with stakes, flagging, tape, or signage prior to work. Areas outside of work limits shall be considered environmentally sensitive and shall not be disturbed;
- Vehicles and Equipment. All equipment and vehicles shall be checked and maintained daily to prevent spills of fuel, oil, and other hazardous materials. A designated staging area shall be established for vehicle/equipment parking and storage of fuel, lubricants, and solvents. All fueling and maintenance activities shall take place in the staging area;
- 4. <u>Biological Monitoring.</u> Biological monitoring shall be completed by a qualified biologist for all initial ground disturbance (e.g., grading/excavation activities). For this task, the biologist shall survey/clear undisturbed work areas prior to start of work and then monitor the area while initial grading activities are completed. Any wildlife observed during monitoring shall be allowed to move out of work limits of their own volition or shall be captured and relocated to nearby suitable habitat by the biologist, as necessary and in compliance with state and federal Endangered Species Act regulations.
- 5. <u>Burrow Assessment.</u> Prior to disturbance of burrows that may support special-status species, such as, American Badger and San Joaquin kit fox, the occupancy shall be determined with non-invasive methods. Motion sensor cameras and/or tracking medium may be deployed to determine the active status of the burrow. If San Joaquin kit fox are identified, the USFWS should be notified immediately and all Project activities halted to determine avoidance measures:

- Special-Status Plants. If a special-status plant species is observed during biological monitoring, the County and other appropriate agencies will be notified, and measures to avoid and/or minimize impacts will be determined, which could include plant avoidance, seed collection, or transplanting;
- 7. Nesting Bird Surveys. In the event vegetation removal (i.e., tree trimming/removal activities) are scheduled between February 1 and August 31 (general nesting bird season), nesting bird surveys shall be completed by a qualified biologist within 48 hours prior to start of work. If any active nests are discovered within or adjacent to work limits, an appropriate buffer (i.e., 500 feet for raptors and 250 feet for other birds, or at the discretion of a qualified biologist based on biological or ecological reasons) shall be established to protect the nest until a qualified biologist has determined that the nest is no longer active and/or the young have fledged; and
- 8. <u>Oak Tree Mitigation</u>. Based on discussions with the client, all disturbance areas can be configured such that they avoid impacting oak trees. If impact to oak trees becomes necessary at any point during the Project, including for right of way improvements, the following measures shall be implemented:
 - No oak tree shall be removed without prior County approval;
 - Trees within 20 feet of grading or trenching shall be protected by placement of protective fencing at least one foot outside the dripline;
 - Trenching and excavation within the tree driplines shall be hand-dug or bored to minimize root disturbance. Any root encountered on inch diameter or greater, shall be hand cut and appropriately treated;
 - Pruning of lower limbs in the construction area shall occur prior to construction activities to minimize damage; and
 - An oak tree replacement plan will be prepared and submitted to the County for approval, and a certified arborist shall be contracted to provide guidance on trimming and/or removal of oak trees in the field.

Parking Modification and Required Findings

At full operational capacity, the project will require up to 15 full-time staff with seasonal increases to 20-22. The project is designed to accommodate staff with approximately fifteen shared parking spaces and one ADA parking space on the property. Seasonal employees for harvest will commute via a passenger van, and all full-time employees will be encouraged to carpool, to decrease the number of vehicles onsite. Due to the limited nature of the staff required for the operation, parking standards as outlined in Chapter 22.18, Nursery Specialties are not appropriate for the project. The following findings are provided for use in a request for modification of parking standards of Chapter 22.18, Nursery Specialties.

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

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

Cleath-Harris Geologists, Inc.

71 Zaca Lane, Suite 140 San Luis Obispo, CA 93401 (805) 543-1413



July 23, 2019

Mr. Tyler Mitchell 5237 Diane Avenue San Diego, CA 92117

Subject: Water Demand Update for Cannabis Conditional Use Permit

Application, 4150 N. Ryan Road, Creston, California.

Dear Mr. Mitchell:

A water demand analysis for the Cannabis Conditional Use permit application was previously submitted as part of the Tyler Mitchell (Applicant) Supplemental Development Statement, 4150 N. Ryan Road, Creston (APN 042-211-014)¹. Minor adjustments to the cultivation areas were subsequently made to the project description, and a water demand update was prepared². Additional minor adjustments to the greenhouse cultivation areas are currently proposed, therefore, this letter presents a second update to the estimated project water use.

The Applicant proposes a cannabis cultivation project totaling 4 acres of canopy, which includes 86,680 square feet (sq. ft.) for outdoor flower, 44,000 sq. ft. for hoop house flower, 21,840 sq. ft. for greenhouse flower, 21,840 sq. ft. for greenhouse nursery, and 1,500 sq. ft. for an ancillary nursery, as described in the updated project description³. Applied water estimates for each cultivation type were developed in the water demand analysis, based on soil moisture budget methodology with local evapotranspiration and rainfall data. The resulting estimated irrigation water use for the updated canopy areas are shown in Table 1 below.

Table 1. Estimated Irrigation Water Use

Cultivation Type	Canopy Area	Applied Water		
Cultivation Type	(square feet)	(feet/year)	(acre-feet per year)	
Outdoor flower	86,680	1.11	2.21	
Hoop house flower	44,000	1.91	1.93	
Greenhouse flower	21,840	3.91	1.96	
Greenhouse nursery	21,840	3.30	1.65	
Ancillary nursery	1,500	1.32	0.05	
TOTAL			7.8	

¹ Cleath-Harris Geologists, June 5, 2019

² Cleath-Harris Geologists, June 21, 2019

³ Kirk Consulting, Project Description dated July 2019



Adjustments to canopy areas have increased the estimated project water use by 0.5 acrefeet per year, compared to the original water demand analysis. The updated cannabis project applied irrigation water use will average an estimated 7.8 acre-feet per year.

Respectfully submitted,

CLEATH-HARRIS GEOLOGISTS

Spencer J. Harris, HG 633 Senior Hydrogeologist