Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P. O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

SCH # _____

Project Title: Mondo-True Farma, Inc Conditional Use Permit DRC2017-00106 ED19-058

Lead Agency: County of San Luis Obispo — Contact Person: Megan Martin

Mailing Address: 976 Osos Street, Room 300 — Phone: (805) 788-4163

City: San Luis Obispo — Zip: 93408-2040 — County: San Luis Obispo

Project Location: County: San Luis Obispo — City/Nearest Community: Paso Robles

Cross Streets: Nacimiento Lake Dr/Oak Flat Rd. — Zip Code: 93446

Lat. / Long.: 35°41'00.5"N 120°45'09.1"W — Total Acres: 82.24 acres

Assessor's Parcel No.: 026-041-022 — Section: ____ Twp.: ____ Range: ____ Base: ____

Within 2 Miles: State Hwy #: 46 — Waterways: ____

Airports: ____ — Railways: ____ — Schools: ____

Document Type:

CEQA: ☐ NOP ☐ Early Cons ☐ Neg Dec ☒ Mit Neg Dec ☐ Draft EIR ☐ Supplement/Subsequent EIR ☐ (Prior SCH No.) ____ ☐ Other ____

NEPA: ☐ NOI ☐ EA ☐ Draft EIS ☐ FONSI

Other: ☐ Joint Document ☐ Final Document ☐ Other ____

Local Action Type:

☐ General Plan Update ☐ General Plan Amendment ☐ General Plan Element ☐ Community Plan
☐ Specific Plan ☐ Master Plan ☐ Planned Unit Development ☐ Site Plan
☐ Rezone ☐ Prezone ☒ Use Permit ☐ Land Division (Subdivision, etc.)
☐ Annexation ☐ Redevelopment ☐ Coastal Permit ☐ Other ____

Development Type:

☐ Residential: Units ____ Acres ____
☐ Office: Sq.ft. ____ Acres ____ Employees ____
☐ Commercial: Sq.ft. ____ Acres ____ Employees ____
☐ Industrial: Sq.ft. ____ Acres ____ Employees ____
☐ Educational ____
☐ Recreational ____

☐ Water Facilities: Type ____ MGD ____
☐ Transportation: Type ____
☐ Mining: Mineral ____
☐ Power: Type ____ MW ____
☐ Waste Treatment: Type ____ MGD ____
☐ Hazardous Waste: Type ____
☒ Other: Cannabis Activities

Project Issues Discussed in Document:

☒ Aesthetic/Visual
☐ Agricultural Land
☒ Air Quality
☐ Archeological/Historical
☒ Biological Resources
☐ Coastal Zone
☐ Drainage/Absorption
☐ Economic/Jobs
☐ Fiscal
☐ Flood Plain/Flooding
☐ Forest Land/Fire Hazard
☐ Geologic/Seismic
☐ Minerals
☐ Noise
☐ Population/Housing Balance
☒ Public Services/Facilities
☐ Recreation/Parks
☐ Schools/Universities
☐ Septic Systems
☐ Sewer Capacity
☐ Soil Erosion/Compaction/Grading
☐ Solid Waste
☐ Toxic/Hazardous
☐ Traffic/Circulation
☐ Vegetation
☐ Water Quality
☐ Water Supply/Groundwater
☐ Wetland/Riparian
☒ Wildlife
☐ Growth Inducing
☐ Land Use
☐ Cumulative Effects
☐ Other ____

Present Land Use/Zoning/General Plan Designation:

Agricultural

Project Description: *(please use a separate page if necessary)*

Project Description:

A request by Doug Mondo – True Farma Inc. for a Conditional Use Permit (DRC2017-00106) to establish three one-acre outdoor cannabis cultivation areas, seven 2,880-square-foot greenhouses to be used for indoor mixed-light cannabis cultivation, and eight 2,880-square-foot greenhouses for supporting nursery. The project also includes the use of an existing 3,200-square-foot building for manufacturing, and a non-storefront dispensary. Ancillary uses

include maintaining the supporting nursery and processing activities such as drying, curing, and trimming. Additional site improvements include development of an 80,000-square-foot ground-mounted solar array, installation of a new septic system, improvements to existing access roads, and the removal of 42 almond trees. The project would result in approximately 15.4 acres of site disturbance requiring approximately 118,500 cubic yards of earthwork on an approximately 82.24-acre property. A modification from the parking standards set forth in Section 22.18.050.C.1 of the County's Land Use Ordinance is requested to reduce the required number of parking spaces onsite from 257 to 33. The project site is located within the Agriculture land use category located at 3260 Nacimiento Lake Drive, approximately three miles west of the City of Paso Robles in the Adelaida Sub Area of the North County Planning Area.

Reviewing Agencies Checklist

Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with and "**X**".
If you have already sent your document to the agency please denote that with an "**S**".

___	Air Resources Board	___	Office of Emergency Services
___	Boating & Waterways, Department of	___	Office of Historic Preservation
___	California Highway Patrol	___	Office of Public School Construction
___	CalFire	___	Parks & Recreation
X	Caltrans District # 5	___	Pesticide Regulation, Department of
___	Caltrans Division of Aeronautics	___	Public Utilities Commission
___	Caltrans Planning (Headquarters)	X	Regional WQCB # 3
___	Central Valley Flood Protection Board	___	Resources Agency
___	Coachella Valley Mountains Conservancy	___	S.F. Bay Conservation & Development Commission
___	Coastal Commission	___	San Gabriel & Lower L.A. Rivers and Mtns Conservancy
___	Colorado River Board	___	San Joaquin River Conservancy
___	Conservation, Department of	___	Santa Monica Mountains Conservancy
___	Corrections, Department of	___	State Lands Commission
___	Delta Protection Commission	___	SWRCB: Clean Water Grants
___	Education, Department of	___	SWRCB: Water Quality
___	Energy Commission	___	SWRCB: Water Rights
X	Fish & Game Region # 4	___	Tahoe Regional Planning Agency
___	Food & Agriculture, Department of	___	Toxic Substances Control, Department of
___	General Services, Department of	___	Water Resources, Department of
___	Health Services, Department of		
___	Housing & Community Development	___	Other _____
___	Integrated Waste Management Board	___	Other _____
___	Native American Heritage Commission		

Local Public Review Period (to be filled in by lead agency)

Starting Date March 25, 2019 Ending Date April 24, 2019

Lead Agency (Complete if applicable):

Consulting Firm: _____
Address: 976 Osos St -- Rm 300
City/State/Zip: San Luis Obispo, CA 93401
Contact: Megan Martin
Phone: 805-788-4163

Applicant: _____
Address: _____
City/State/Zip: _____
Phone: _____

Signature of Lead Agency Representative: Megan Martin **Date:** 3/19/19

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

Negative Declaration & Notice Of Determination

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

ENVIRONMENTAL DETERMINATION NO. ED Number 19-058 **DATE:** March 20, 2019

PROJECT/ENTITLEMENT: Mondo, True Farma Conditional Use Permit DRC2017-00106

APPLICANT NAME: Doug Mondo/True Farma Colletive **Email:** cdmondo@truefarma.com
ADDRESS: 3260 Nacimiento Lake Dr. Paso Robles, CA 93446
CONTACT PERSON: Doug Mondo **Telephone:** 805-226-2925

PROPOSED USES/INTENT: Request by Doug Mondo-True Farma, Inc for a Conditional Use Permit (DRC2017-00106) to establish three one-acre outdoor cannabis cultivation areas, seven 2,880-square-foot greenhouses to be used for indoor mixed-light cannabis cultivation, and eight 2,880-square-foot greenhouses for supporting nursery. The project also includes the use of an existing 3,200-square-foot building for manufacturing, and a non-storefront dispensary. Ancillary uses include maintaining the supporting nursery and processing activities such as drying, curing, and trimming. Additional site improvements include development of an 80,000-square-foot ground-mounted solar array, installation of a new septic system, improvements to existing access roads, and the removal of 42 almond trees. The project would result in approximately 15.4 acres of site disturbance requiring approximately 118,500 cubic yards of earthwork on an approximately 82.24-acre property. A modification from the parking standards set forth in Section 22.18.050.C.1 of the County's Land Use Ordinance is requested to reduce the required number of parking spaces onsite from 257 to 33.

LOCATION: The project site is located within the Agriculture land use category located at 3260 Nacimiento Lake Drive, approximately three miles west of the City of Paso Robles.

LEAD AGENCY: **County of San Luis Obispo**
Dept of Planning & Building
976 Osos Street, Rm. 200
San Luis Obispo, CA 93408-2040
Website: http://www.sloplanning.org

STATE CLEARINGHOUSE REVIEW: YES ☒ **NO** ☐

OTHER POTENTIAL PERMITTING AGENCIES:

ADDITIONAL INFORMATION: Additional information pertaining to this Environmental Determination may be obtained by contacting the above Lead Agency address or (805)781-5600.
COUNTY "REQUEST FOR REVIEW" PERIOD ENDS AT .....4:30 p.m. (2 wks from above DATE)

30-DAY PUBLIC REVIEW PERIOD begins at the time of public notification

Notice of Determination

State Clearinghouse No. _____

This is to advise that the San Luis Obispo County_____ _____ as ☐ *Lead Agency* ☐ *Responsible Agency* approved/denied the above described project on _____, and has made the following determinations regarding the above described project:

The project will not have a significant effect on the environment. A Negative Declaration was prepared for this project pursuant to the provisions of CEQA. Mitigation measures and monitoring were made a condition of approval of the project. A Statement of Overriding Considerations was not adopted for this project. Findings were made pursuant to the provisions of CEQA.

This is to certify that the Negative Declaration with comments and responses and record of project approval is available to the General Public at the 'Lead Agency' address above.

Signature	Project Manager	Date	Public Agency
	Megan Martin (mamartin@co.slo.ca.us or 805-781-4163)		County of San Luis Obispo

Initial Study Summary – Environmental Checklist

SAN LUIS OBISPO COUNTY DEPARTMENT OF PLANNING AND BUILDING
976 OSOS STREET • ROOM 200 • SAN LUIS OBISPO • CALIFORNIA 93408 • (805) 781-5600

Project Title & No. Mondo - True Farma Inc. Conditional Use Permit ED19-058 (DRC2017-00106)

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED: The proposed project could have a "Potentially Significant Impact" for at least one of the 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	☐ Geology and Soils	☐ Recreation
☐ Agricultural Resources	☐ Hazards/Hazardous Materials	☒ Transportation/Circulation
☒ Air Quality	☐ Noise	☐ Wastewater
☒ Biological Resources	☐ Population/Housing	☐ Water /Hydrology
☐ Cultural Resources	☒ Public Services/Utilities	☐ Land Use

DETERMINATION: (To be completed by the Lead Agency)

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

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

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

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

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

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

Prepared by (Print) Signature Date

Megan Martin Megan Martin

Ellen Carroll, Environmental Coordinator

Reviewed by (Print) Signature (for) Date

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: A request by Mondo – True Farma Inc. for a Conditional Use Permit (DRC2017-00106) to establish multiple cannabis activities, including indoor mixed-light cultivation, outdoor cultivation, nursery, manufacturing, and a non-storefront dispensary on an 82.24-acre parcel. The proposed project would result in the disturbance of approximately 15.4 acres, including approximately 65,800 cubic yards of cut and 52,700 cubic yards of fill (total of 118,500 cubic yards of earthwork). The site currently operates an existing bed and breakfast and proposes expansion of an existing 1.1-acre cultivation operation authorized under CCM No.2016-00333.

The indoor mixed-light cultivation component, referred to as Premise 1 – Porto Levanzo, would establish seven 2,880-square-foot (sf) greenhouses for a total of 20,160 sf of mature canopy. The greenhouses would be secured within a fenced area approximately 58,320-sf in size that would include an additional 986-sf maintenance building and four parking spaces.

The outdoor cultivation component, referred to as Premise 2A – Portofino (87,080 sf), Premise 2B Porto Vernazza (64,520 sf), and Premise 2C – Porto Positano (74,950 sf), would establish three 1-acre outdoor cultivation areas for a total of 130,500 sf of mature canopy. The outdoor cultivation would be secured within three separate fenced areas totaling approximately 4 acres. The outdoor cultivation areas would include nine drying and curing rooms (986 sf each, three within each fenced area), three maintenance buildings (986 sf each, one within each fenced area), and one 986-sf common-area building with employee facilities and 19 parking spaces.

The nursery component, referred to as Premise 2 – Aquaponics Nursery, would consist of two main parts, an aquaculture part for raising fish and a hydroponics part for growing plants. The aquaponics nursery would be a closed-loop system that would recirculate aquatic effluents from the fish and use the nutrient rich water for the plants. The aquatic nursery would establish eight 2,880-sf greenhouses, one 5,000-sf fish house to contain the fish tank, and one 986-sf maintenance building to support the cultivation operations with non-flowering nursery stock. The nursery would be secured within a 60,165-sf fenced area and accommodate up to 10 parking spaces.

Manufacturing would occur within a 25,510-sf fenced area containing an existing 3,200-sf building (PMT2016-05574), referred to as Premise 4A, and would consist of non-volatile manufacturing operations for the extraction of cannabis oil within a 2,050-sf space within the existing building. Premise 4A would also include a 554-sf production area as well as a 536-sf non-storefront dispensary, both within the existing building.

The project would employ up to 12 full-time employees with additional part-time staff during harvest

season for a maximum of 18 employees. Water to the site would be provided from an existing well with an anticipated increased water demand of 3.41 acre-feet a year. Water used for the existing cultivation is currently stored in two 5,000-gallon water storage tanks and three additional water storage tanks would be installed near Premise 2 for irrigation. Water storage for fire suppression would be located near Premise 4A.

Premise 4A is currently serviced by an existing septic system, and additional septic systems are proposed within Premise 2 to accommodate the cultivation and nursery areas. Energy to the project site is provided by PG&E and would be partially offset by the development of an approximately 80,000-sf solar array, located northeast of the proposed cultivation areas. Project development is summarized below in Table 1.

Table 1 – Project Summary

Project Component	Quantity	Total Area
Premise 1 – Indoor Cultivation		
Indoor mixed-light cultivation greenhouses	7	20,160 sq.ft.
Maintenance Building	1	986 sq.ft.
Parking	4	
Premises 2 - Outdoor Cultivation		
Premise 2A -- Portofino		87,080 sq.ft.
Premise 2B – Porto Venazza		64,520 sq.ft.
Premise 2C – Porto Positano		74,950 sq.ft.
Total Mature Canopy		*130,500 sq.ft. (3.0 acres)*
Curing and Drying Buildings	9	8,874 sq.ft.
Maintenance Building	1	986 sq.ft.
Common Area Building	1	986 sq.ft.
Parking	19	
Premise 3 – Aquaponics/Nursery		
Greenhouses	8	23,040 sq.ft.
Fish House	1	5,000 sq.ft.
Maintenance Building	1	986 sq.ft.
Parking	10	
Premise 4 – Manufacturing (existing building)		
Non-volatile Manufacturing	1	2,050 sq.ft.
Production area	1	554 sq.ft.
Non-Storefront Dispensary	1	536 sq.ft.
Solar Array	1	80,000 sq.ft.
Cut and Fill		65,800 cubic yards cut
Total Area of Disturbance		*15.4 acres*
Employees	12 full time 6 part time	

The project would extend and improve the existing agricultural roads to meet Cal Fire emergency access standards and to accommodate the new proposed facilities. Other site improvements include the removal of up to 42 almond trees from a remnant orchard to accommodate Premise 1 and Premise 2 facilities. The proposed outdoor cultivation areas (Premises 2A, 2B, and 2C) would be setback from the property boundary by a minimum of 300 feet, with the nearest off-site residence approximately 800 feet to the east. A site-wide security plan was prepared by a third-party security service and includes perimeter fencing with exterior lighting and controlled access protocols with 24-hour video surveillance.

The proposed project is located within the Agriculture land use category located at 3260 Nacimiento Lake Drive, approximately 3 miles west of the City of Paso Robles in the Adelaida Sub Area of the North County Planning Area.

Figure 1 – Project Vicinity Map

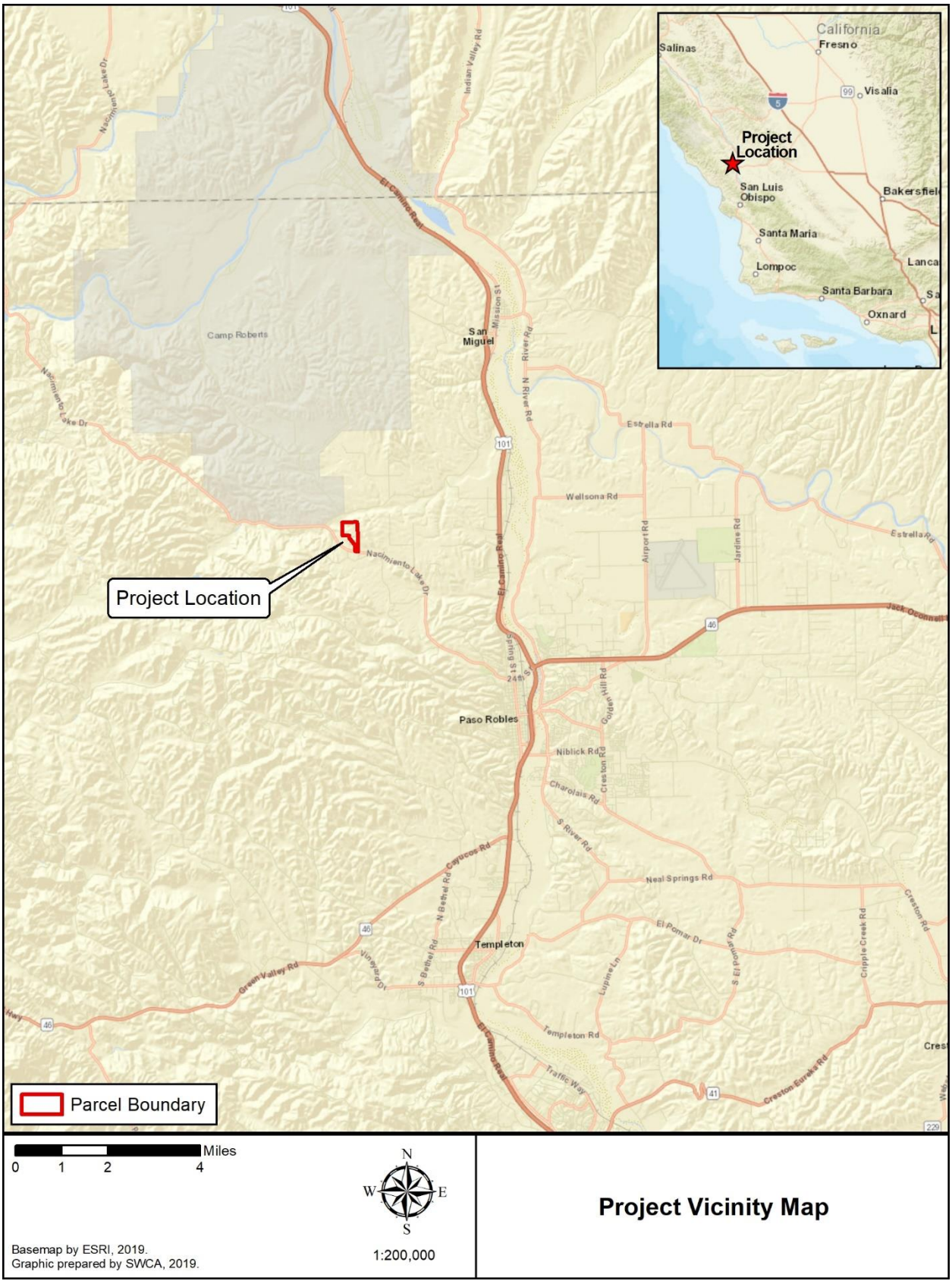


Figure 2 – Project Location Map

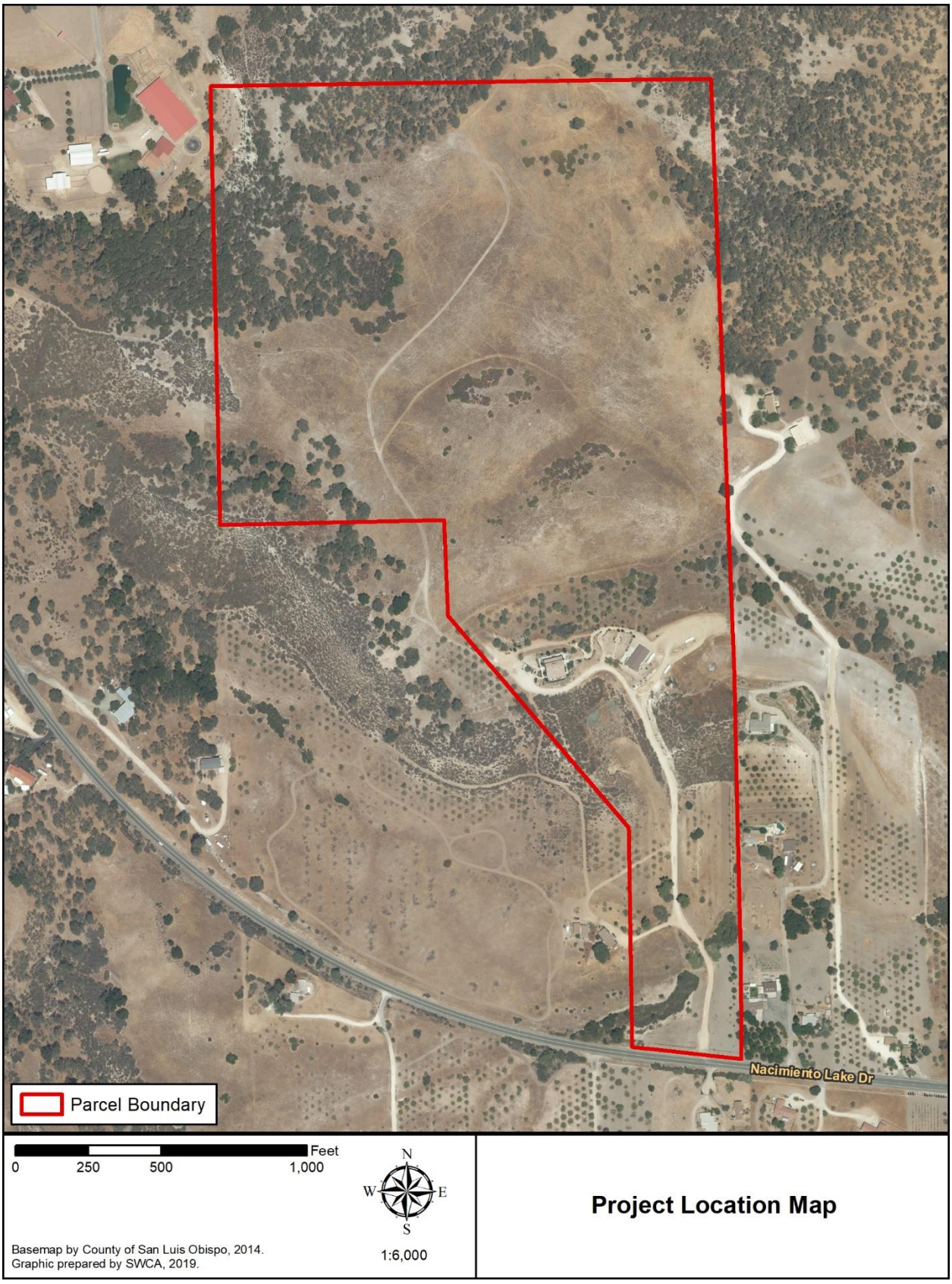
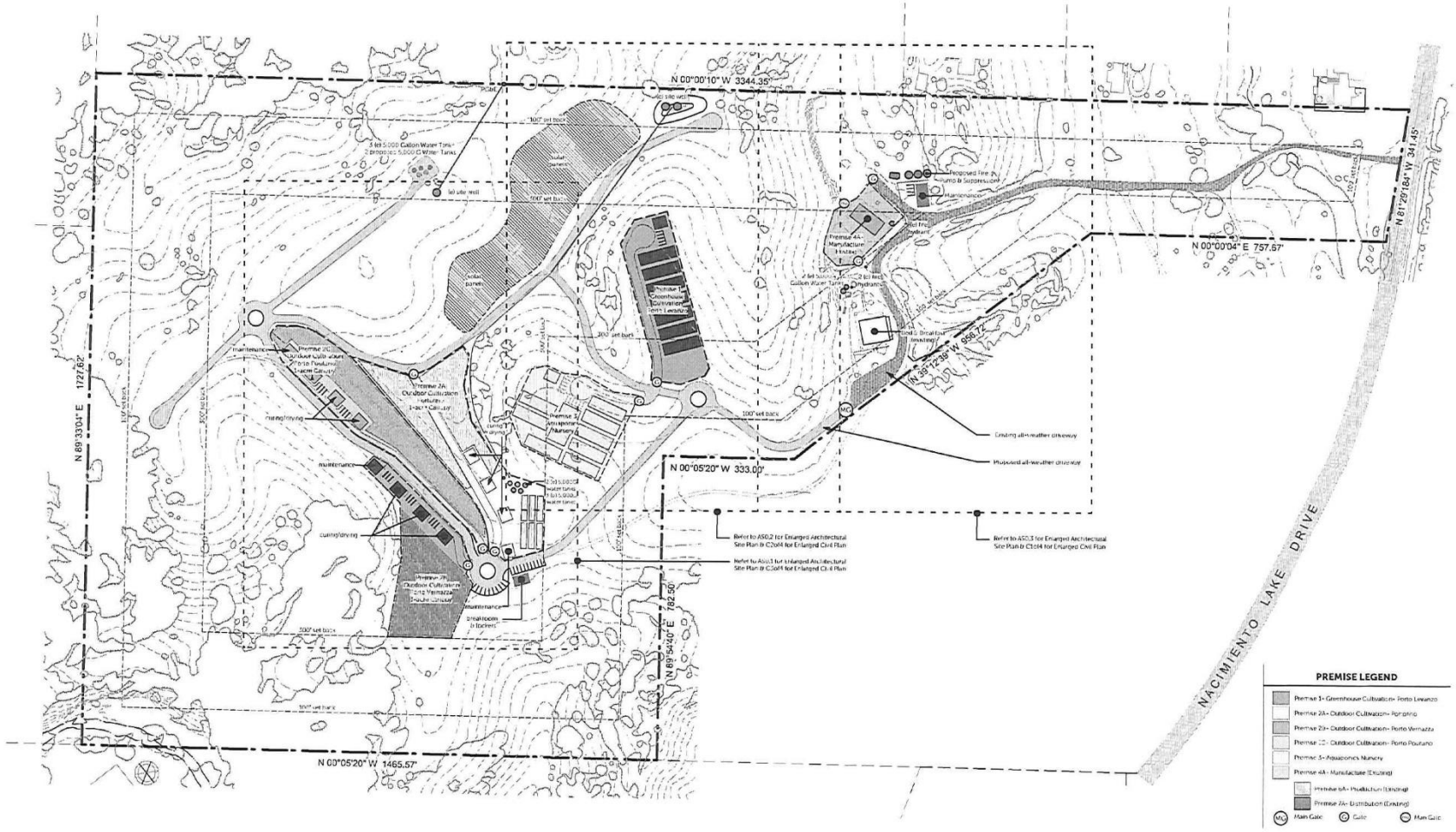


Figure 3 – Site Plan



Site Plan Source: Reiss Design Studio, 2019.
Graphic Prepared by SWCA, 2019.

Site Plan

ASSESSOR PARCEL NUMBER(S): 026-041-022

Latitude: 35° 41' 12.1" N Longitude: 120° 45' 14.3" W **SUPERVISORIAL DISTRICT** # 1

B. EXISTING SETTING

PLAN AREA: North County **SUB**: Adelaida **COMM:** Rural

LAND USE CATEGORY: Agriculture

COMB. DESIGNATION: Not applicable

PARCEL SIZE: 82.24 acres

TOPOGRAPHY: Gently rolling to moderately sloping

VEGETATION: Grasses, Chaparral, Oak woodland, remnant orchard

EXISTING USES: Single-family residence(s) , Bed and Breakfast, agricultural uses

SURROUNDING LAND USE CATEGORIES AND USES:

North: Agriculture; rural residential/agriculture	*East:* Agriculture; rural residential/agriculture
South: Agriculture; rural residential/agriculture	*West:* Agriculture; rural residential/agriculture

C. ENVIRONMENTAL ANALYSIS

During the Initial Study process, at least one issue was identified as having a potentially significant environmental effects (see following Initial Study). Those potentially significant items associated with the proposed uses can be minimized to less than significant levels.

COUNTY OF SAN LUIS OBISPO
INITIAL STUDY CHECKLIST

1. AESTHETICS *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Create an aesthetically incompatible site open to public view?	☐	☒	☐	☐
b) Introduce a use within a scenic view open to public view?	☐	☒	☐	☐
c) Change the visual character of an area?	☐	☒	☐	☐
d) Create glare or night lighting, which may affect surrounding areas?	☐	☒	☐	☐
e) Impact unique geological or physical features?	☐	☐	☒	☐
f) Other: _____	☐	☐	☐	☒

Aesthetics

Setting. The project site is located on an 82.24-acre parcel in an agricultural area west of the city of Paso Robles. The project site is accessed directly from Nacimiento Lake Drive, approximately 3 miles west of Highway 101 and approximately 2.5 miles east of Chimney Rock Road. The topography of the project site is varied, with elevations generally ranging from 1,010 feet above mean sea level (amsl) to 1,140 feet amsl. The elevation from the property entry at Lake Nacimiento Drive is approximately 1,009 amsl and steeply ascends to 1,134 feet amsl at the existing residence. The existing residence is not visible from eastbound Lake Nacimiento Drive or San Marcos Road but is intermittently visible from westbound Lake Nacimiento Drive.

The visual character of the project vicinity consists of hillsides covered with sparse to dense oak woodlands, non-native grasses, and small agricultural operations consisting of orchards, vineyards, and farms. The project site was historically planted with almond orchards, which have mostly been removed to accommodate a single-family dwelling operating as a bed-and-breakfast, and agricultural accessory buildings. From the existing buildings, an unimproved dirt road extends north along the natural ridgeline, providing access to the parcel's interior. Several segments of the road offer unobstructed views to the northwest, where Nacimiento Lake Drive and San Marcos Road are partially visible.

Nacimiento Lake Drive is a two-lane arterial connecting the Lake Nacimiento/Heritage Ranch area with

the City of Paso Robles to the southeast. Based on counts taken by the County in June 2018, Nacimiento Lake Drive carries an average daily traffic of 4,591 and a PM peak hour volume of 1,630. Therefore, opportunities to view the project site from the roadway are high. Nacimiento Lake Drive is an officially designated by the California Department of Transportation's (Caltrans) California Scenic Highway Mapping System as a County Scenic Highway Drive from Chimney Rock Road (approximately 2.25 miles northwest of the project site) to the Monterey County Line. In addition, Nacimiento Lake Drive/Interlake Road from Paso Robles to Monterey County is listed as a Suggested Scenic Corridor in Table VR-2 of the Conservation and Open Space Element.

Because of the project's proximity to Nacimiento Lake Drive, a Visual Resource Assessment (VRA) was prepared by Reiss Design Studio (Reiss Design Studio 2018) to assess if the project would be visible from Nacimiento Lake Drive and if the proposed development would be compatible with the visual surroundings. The VRA identified eight view points along Nacimiento Lake Drive and San Marcos Road and evaluated whether the project would be visible from a vehicle driving towards the project area.

Impact. The project will involve the construction of greenhouses and ancillary support buildings and establish outdoor cultivation (Premise 2B) near the northwest property boundary, below the existing road on the northwest facing slope. Building heights would be 15 feet tall and the outdoor cultivation would be enclosed with a 6-foot tall fence. The VRA determined that portions of the buildings would be partially visible from San Marcos Road, but not from Nacimiento Lake Drive. Due to the intervening topography and existing vegetation, the remainder of the proposed development would not be visible from Nacimiento Lake Drive or San Marcos Road.

San Marcos Road, a two-lane rural collector connecting Lake Nacimiento with the community of San Miguel, intersects Nacimiento Lake Drive about one mile northeast of the project site. Based on traffic counts taken in April 2018, San Marcos Road carries an average daily traffic volume of 344 and a PM peak hour volume of 39. Therefore, during the afternoon peak hour, about two vehicles per minute would pass by the project site where portions of the cultivation areas and other cannabis facilities could be visible. San Marcos Road is not an officially designated or eligible state or county scenic road; however, views from San Marcos Road are pastoral and characteristic of rural San Luis Obispo County. Development within the immediate viewshed could result in an aesthetically incompatible site visible to the public, introduce a new use within a scenic view, and/or change the visual character of the area. Implementation of Mitigation Measure AES-1 would require the accessory buildings be designed to not exceed 15-feet and to be sited in a manner that is the least visible from San Marcos Road or Nacimiento Lake Drive, reducing potential impacts related to visual resources to less than significant.

In addition to the buildings used for indoor cultivation, the project proposes mixed-light outdoor cultivation, 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. Without appropriate light shielding and prevention, potentially significant impacts created by nighttime lighting could occur. Mitigation Measure AES-2 would require a light pollution plan that conforms to the County's Land Use Ordinance (LUO) Section 22.10.060 for all exterior and safety lighting and includes techniques to properly shield and blackout facilities that may employ artificial lighting techniques, thereby reducing impacts from nighttime lightning to less than significant.

There are no unique geological or physical features within the project area that would be impacted by the project. Impacts related to geologic features are discussed further in *Section 6. Geology and Soils* of this Initial Study.

Mitigation/Conclusion. The project proposes development that could result in aesthetically incompatible development visible to the public, introduce a new use within a scenic view, and/or change the visual character of the area. Implementation of Mitigation Measure AES-1 would limit the visibility of the project and reduce impacts to visual resources to less than significant. The project proposes mixed-light techniques that could result in nighttime lighting. Implementation of Mitigation Measure AES-2 would require the applicant to prepare and implement a lighting plan that would conform to LUO Section 22.10.060 for exterior and safety lighting and include techniques such as shielding and blackout

tarps to prevent nighttime lighting; reducing impacts from nighttime lighting to less than significant. No other impacts related to visual resources would occur and no additional mitigation is necessary. See Exhibit B for the Mitigation Summary Table.

2. AGRICULTURAL RESOURCES *Will the project:*	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a) Convert prime agricultural land, per NRCS soil classification, to non-agricultural use?	☐	☐	☒	☐
b) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to non-agricultural use?	☐	☐	☒	☐
c) Impair agricultural use of other property or result in conversion to other uses?	☐	☐	☒	☐
d) Conflict with existing zoning for agricultural use, or Williamson Act program?	☐	☐	☒	☐
e) Other: _____	☐	☐	☐	☒

Agricultural Resources

Setting. Project Elements. The following area-specific elements relate to the property's importance for agricultural production:

Land Use Category: Agriculture

State Classification: Grazing Land and Other Land

Historic/Existing Commercial Crops: Almonds

In Agricultural Preserve? Yes

Under Williamson Act contract? No

The project would be located in a predominantly agricultural area surrounded by other light and moderate-intensity agricultural uses on parcels ranging in size from 1.5 acres to over 80 acres. Based on the California Department of Conservation, the Natural Resources Conservation Service (NRCS), Farmland Mapping and Monitoring Program (FMMP), and San Luis Obispo County Important Farmland Map (FMMP 2016), the project site is located on land designated as Grazing Land and Other Land and does not contain Prime Farmland or Farmland of Statewide Importance. The project site is located within an Agriculture Preserve area, within the Agriculture land use category, but is not under a Williamson Act contract.

The soil type(s) and characteristics on the subject property include:

Linne-Calodo complex (9-30% slope).

Linne. This moderately to steeply sloping soil is considered well drained. The soil has moderate edoribility and moderate shrink-swell characteristics, as well as having potential septic system constriants due to steep slopes, shallow depth to bedrock, slow percolation. The soil is considered Class IV without irrigation and Class IV when irrigated.

Calodo. This moderately to steeply sloping soil is considered not well drained. The soil has moderate edoribility and moderate shrink-swell characteristics, as well as having potential septic

system constriants due to steep slopes, shallow depth to bedrock, slow percolation. The soil is considered Class IV without irrigation and Class IV when irrigated.

Linne-Calodo complex (30-50% slope).

Linne. This moderately to steeply sloping soil is considered well drained. The soil has moderate edoribility and moderate shrink-swell characteristics, as well as having potential septic system constriants due to steep slopes, shallow depth to bedrock, slow percolation. The soil is considered Class VI without irrigation and Class is not rated when irrigated.

Calodo. This moderately to steeply sloping soil is considered well drained. The soil has moderate edoribility and moderate shrink-swell characteristics, as well as having potential septic system constriants due to steep slopes, shallow depth to bedrock, slow percolation. The soil is considered Class VI without irrigation and Class is not rated when irrigated.

Section 22.06.030.C, Table 2-2 of the County's LUO describes allowable uses within the Agriculture land use category, which permits cannabis activities that include cultivation, nurseries, manufacturing, and dispensaries. Section 22.40.070.A of the LUO limits cannabis manufacturing facilties within the Argriculture land use category to the processing of the raw cannabis materials grown onsite. This includes cutting, trimming, chopping, grinding or extracting cannabis byproducts from raw cannabis by mechanical or distilling means for marketing or further manufacturing at another location. Storing, packaging and labeling of cannabis materials grown onsite is also allowable. The combining of raw cannabis with other ingredients or compounding cannabis extractions with other ingredients to create a product for consumption or use by the end user, or to create an intermediate product to be used in manufacturing at a different location is not currently an allowable use within the Agriculture land use category.

Impact. The project would result in the disturbance of approximately 15.4 acres which would include the long-term conversion of existing grazing land to a non-crop production and grazing use. Cannabis cultivation grading activities would be consistent with the NRCS Field Office Technical Guide and all erosion and sedimentation control activities would adhere to Section 22.52.150C to prevent off-site drainage and erosion impacts (see *Section 14. Water*). All parking areas and impervious surfaces would be minimized to the greatest extent practicable to protect farmland and to promote groundwater recharge and to further minimize erosion and sedimentation. The project proposes cannabis activities (cultivation, nursery, manufacturing, retail) which are permitted uses within the Agriculture land use category. Consistent with Section 22.40.070.A, the project proposes non-volatile manufacturing operations for the extraction of cannabis oil (see *Section 15. Land Use*). Therefore, the project would not conflict with existing zoning for agricultural uses. The project site is classified as Grazing Land and Other Land and would not result in the conversion of Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to nonagricultural uses. The site is not under a Williamson Act contract and the project would not conflict with the Williamson Act program. The project would not involve any other changes in the existing environment which, due to their location or nature, could result in conversion of farmland to non-agricultural use.

Mitigation/Conclusion. No significant impacts to agricultural resources would occur; therefore, no mitigation measures are necessary.

3. AIR QUALITY

Will the project:	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Violate any state or federal ambient air quality standard, or exceed air quality emission thresholds as established by County Air Pollution Control District?	☐	☒	☐	☐
b) Expose any sensitive receptor to substantial air pollutant concentrations?	☐	☒	☐	☐
c) Create or subject individuals to objectionable odors?	☐	☒	☐	☐
d) Be inconsistent with the District's Clean Air Plan?	☐	☐	☒	☐
e) Result in a cumulatively considerable net increase of any criteria pollutant either considered in non-attainment under applicable state or federal ambient air quality standards that are due to increased energy use or traffic generation, or intensified land use change?	☐	☐	☒	☐
GREENHOUSE GASES				
f) ***Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?***	☐	☐	☒	☐
g) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☐	☐	☒	☐
h) Other: _____	☐	☐	☐	☒

Air Quality

Setting. The Air Pollution Control District (APCD) has developed and updated their CEQA Air Quality Handbook (2012) to evaluate project specific impacts and help determine if air quality mitigation measures are needed, or if potentially significant impacts could result. To evaluate long-term emissions, cumulative effects, and establish countywide programs to reach acceptable air quality levels, a Clean Air Plan has been adopted (prepared by APCD). San Luis Obispo County is currently in non-attainment status for ozone (O3) and respirable particulate matter (PM10).

Greenhouse Gas (GHG) Emissions are said to result in an increase in the earth's average surface temperature. This is commonly referred to as global warming. The rise in global temperature is associated with long-term changes in precipitation, temperature, wind patterns, and other elements of the earth's climate system. This is also known as climate change. These changes are now thought to be broadly attributed to GHG emissions, particularly those emissions that result from the human production and use of fossil fuels.

The passage of AB32, the California Global Warming Solutions Act (2006), recognized the need to

reduce GHG emissions and set the greenhouse gas emissions reduction goal for the State of California into law. The law required that by 2020, State emissions must be reduced to 1990 levels. This is to be accomplished by reducing greenhouse gas emissions from significant sources via regulation, market mechanisms, and other actions. Subsequent legislation (e.g., SB97-Greenhouse Gas Emissions bill) directed the California Air Resources Board (CARB) to develop statewide thresholds.

In March 2012, the San Luis Obispo County Air Pollution Control District (APCD) approved thresholds for GHG emission impacts, and these thresholds have been incorporated the APCD's CEQA Air Quality Handbook. APCD determined that a tiered process for residential / commercial land use projects was the most appropriate and effective approach for assessing the GHG emission impacts. The tiered approach includes three methods, any of which can be used for any given project:

1. Qualitative GHG Reduction Strategies (e.g. Climate Action Plans): A qualitative threshold that is consistent with AB 32 Scoping Plan measures and goals; or,
2. Bright-Line Threshold: Numerical value to determine the significance of a project's annual GHG emissions; or,
3. Efficiency-Based Threshold: Assesses the GHG impacts of a project on an emissions per capita basis.

For most projects the Bright-Line Threshold of 1,150 Metric Tons CO2/year (MT CO2e/yr) will be the most applicable threshold. In addition to the residential/commercial threshold options proposed above, a bright-line numerical value threshold of 10,000 MT CO2e/yr was adopted for stationary source (industrial) projects.

It should be noted that projects that generate less than the above-mentioned thresholds will also participate in emission reductions because air emissions, including GHGs, are under the purview of the California Air Resources Board (or other regulatory agencies) and will be "regulated" either by CARB, the Federal Government, or other entities. For example, new vehicles will be subject to increased fuel economy standards and emission reductions, large and small appliances will be subject to more strict emissions standards, and energy delivered to consumers will increasingly come from renewable sources. Other programs that are intended to reduce the overall GHG emissions include Low Carbon Fuel Standards, Renewable Portfolio standards and the Clean Car standards. As a result, even the emissions that result from projects that produce fewer emissions than the threshold will be subject to emission reductions.

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

Impact.

Construction Impacts. As proposed, the project would result in the disturbance of approximately 15.4 acres and require up to 118,500 cubic yards of cut and fill. This would result in the creation of construction dust, as well as short- and long-term vehicle emissions. The project would result in more than 4 acres of grading and would potentially move more than 1,200 cubic yards of material per day; therefore, the project would exceed the APCD's general thresholds triggering construction-related mitigation. Additionally, the nearest sensitive receptor (an off-site residence) to the project is approximately 800 feet to the east; therefore, the project would be subject to standard dust and emission control measures during construction.

Given the area of disturbance, the volume of material to be moved and the project's proximity to sensitive receptors, the project would be subject to fugitive dust control measures pursuant to LUO Section 22.52.160.C (Construction Procedures, Air Quality Controls). These procedures provide additional protection from dust and ensure fugitive dust emissions are adequately controlled to below the 20% opacity limit as identified in the APCD's 401 "Visible Emissions" rule and that dust is not emitted

offsite. The APCD also identified recommended dust control measures to prevent any exceedance of the APCD's limit of 20% opacity. In addition, recommended Mitigation Measure AQ-1 requires standard measures for construction equipment to minimize the emission of diesel particulates and ozone precursors.

Operational Impacts. From an operational standpoint, based on the general light industry land use in Table 1-1 of the CEQA Air Quality Handbook (2012), the project is not expected to exceed operational thresholds triggering mitigation. The project would be consistent with the general level of development anticipated and projected in the Clean Air Plan. No significant operational air quality impacts would occur. Lastly, all interior roadways serving the project would contain an all-weather surface that will minimize operational dust generation.

Using the GHG threshold information described in the Setting section, the project is expected to generate less than the Bright-Line Threshold of 1,150 metric tons of GHG emissions. Therefore, the project's potential direct and cumulative GHG emissions are found to be less significant and less than a cumulatively considerable contribution to GHG emissions. Section 15064(h)(2) of the CEQA Guidelines provide guidance on how to evaluate cumulative impacts. If it is shown that an incremental contribution to a cumulative impact, such as global climate change, is not 'cumulatively considerable', no mitigation is required. Because this project's emissions fall under the cumulative threshold, no mitigation is required.

The project proposes indoor and outdoor cannabis cultivation as well as non-volatile manufacturing for cannabis oil extracts. These activities inherently could result in objectionable odors to nearby sensitive receptors. The project would be located in rural San Luis Obispo County on an 82.24-acre parcel with the nearest sensitive receptor (residence) located approximately 800 feet to the east. Cultivation would be sited approximately 100 feet higher in elevation than the nearest neighbor. Manufacturing operations would be entirely enclosed within a structure containing odor control devices including sufficient odor absorbing ventilation and an exhaust filtration system so that odor generated inside the facility is not detected outside the property boundaries or on a public right-of-way. Based on the site's natural topography, the distance to the nearest sensitive receptors, and odor control systems on the manufacturing building (Premise 4A), impacts from odors on nearby sensitive receptors would be less than significant.

Mitigation/Conclusion. Implementation of Land Use Ordinance standards for dust control and APCD identified air quality control measures would reduce potential air quality impacts to less than significant levels (refer to Exhibit B, Mitigation Summary Table). Objectionable odor would be naturally mitigated due to the site's topography and distance from the nearest sensitive receptors. No additional mitigation is necessary.

4. BIOLOGICAL RESOURCES *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Result in a loss of unique or special status species* or their habitats?	☐	☒	☐	☐
b) Reduce the extent, diversity or quality of native or other important vegetation?	☐	☒	☐	☐
c) Impact wetland or riparian habitat?	☐	☐	☐	☒
d) Interfere with the movement of resident or migratory fish or wildlife species, or factors, which could hinder the normal activities of wildlife?	☐	☒	☐	☐
e) Conflict with any regional plans or policies to protect sensitive species, or regulations of the California Department of Fish & Wildlife or U.S. Fish & Wildlife Service?	☐	☒	☐	☐
f) Other: _____	☐	☐	☐	☒

* **Species – as defined in Section15380 of the CEQA Guidelines, which includes all plant and wildlife species that fall under the category of rare, threatened or endangered, as described in this section.**

Biological Resources

Setting. The following are existing elements on or near the proposed project site relating to potential biological concerns:

On-site Vegetation: Annual grasses, poison oak thickets, and blue oak

Name and distance from blue line creek(s): Unnamed drainage 200 feet southwest, San Marcos Creek 825 feet northwest

Habitat(s): Non-native annual grassland, blue oak woodland

The following information is based on a project referral prepared by the California Department of Fish and Wildlife (CDFW 2018), a San Joaquin Kit Fox Evaluation (Mike McGovern 2017), and a Special Status Plant Species and American Badger Surveys Report (Althouse and Meade, Inc. 2018) prepared for the project:

The project proposes to establish outdoor and indoor cannabis cultivation in several undeveloped areas within the 82.24-acre parcel. Areas proposed for cultivation are comprised of non-native annual grassland habitat dominated by wildoat (*Avena fatua* with *Bromus* spp.), red stemmed filaree (*Erodium cicutarium*), tocalote (*Centaurea melitensis*), and occasional patches of native grasses and forbs. The subject parcel also contains patches of poison oak thickets (*Toxicodendron diversilobium*) and blue oak (*Quercus douglasii*) woodland habitat outside of the areas proposed for cultivation. There are no wetland or riparian habitats within the proposed project site.

The California Natural Diversity Database (CNDDB) and the California Native Plant Society (CNPS) Inventory of Rare and Endangered Plants of California databases were queried for special status species occurrences within the project area and in the surrounding nine USGS Geological Survey 7.5-minute quadrangle maps (Tierra Redonda Mountain, Bradley, San Miguel, Lime Mountain, Adelaida, Paso Robles, Cypress Mountain, York Mountain, and Templeton; Althouse and Meade 2018).

Special-Status Plant Species
For the purposes of this section, special-status plant species are defined as the following:

- Plants listed or proposed for listing as threatened or endangered under the Federal Endangered Species Act (FESA; Code of Federal Regulations [CFR] Title 50, Section 17.12 for listed plants and various notices in the Federal Register for proposed species).
- Plants that are candidates for possible future listing as threatened or endangered under the FESA.
- Plants that meet the definitions of rare or endangered species under the California Environmental Quality Act (CEQA; State CEQA Guidelines Section 15380).
- Plants considered by CNPS to be "rare, threatened, or endangered" in California (CNPS Ranks 1, 2, and 3).
- Plants listed by CNPS as plants about which we need more information and plants of limited distribution (CNPS Rank 4).
- Plants listed or proposed for listing by the State of California as threatened or endangered under the California Endangered Species Act (CESA; California Code of Regulations [CCR] Title 14, Section 670.5).
- Plants listed under the California Native Plant Protection Act (California Fish and Game Code Section 1900 et seq.).
- Plants considered sensitive by other Federal agencies (i.e., U.S. Forest Service, Bureau of Land Management), state and local agencies, or jurisdictions.

Based on a CNDDB and CNPS query and a project review by CDFW, three special-status plant species were identified as having the potential to occur within the project area, including the California-rare-plant dwarf calycadenia (*Calycadenia villosa*), shining naverretia (*Navarretia nigelliformis ssp. radians*), and Salinas milk vetch (*Astragalus macrodon)*.

Dwarf calycadenia
Dwarf calycadenia is an uncommon species of flowering plant in the daisy family that is endemic to Central California with limited distribution in the Central Coast Range in Monterey County and San Luis Obispo County. Dwarf calycadenia occurs in rocky, fine soils in chaparral, cismontane woodlands, meadows and seeps, and valley and foothill grasslands between 240 and 1,350 meters amsl. It is an annual herb that typically blooms between May and October. The nearest known record is approximately 0.80 mile northwest of the project area. The loamy sand soils of the project area are highly suitable for this species.

Shining naverretia
Shining naverretia is an uncommon species of flowering plant endemic to California, primarily occurring in central California. Shining navarretia occurs in cismontane woodlands, valley and foothill grasslands, and vernal pools between 65 and 1,000 meters amsl. It is an annual herb that typically blooms between April and July. The nearest record of this species is approximately 2 miles north of the project area. Clay inclusions in the sandy loam soils were not observed within the project area, indicating that the project area is unlikely to support this species.

Salinas milk vetch
Salinas milk vetch is endemic to California and is distributed from San Benito County south to San Luis Obispo County and east to Kern County. It is known to occur in cismontane woodlands, chaparral, and grassland habitats often on sandstone, shale, or serpentinite substrates between 250 to 950 meters amsl. It is a perennial herb that typically blooms between April and July. The nearest reported record is

approximately 4.30 miles south of the study area. The sandy loam soils within the project area are derived from calcareous sandstone and shale, providing highly suitable habitat for this species.

Special-Status Animal Species
For the purposes of this section, special-status animal species are defined as the following:

- Animals listed or proposed for listing as threatened or endangered under the FESA (50 CFR 17.11 for listed animals and various notices in the *Federal Register* for proposed species).
- Animals that are candidates for possible future listing as threatened or endangered under the FESA.
- Animals that meet the definitions of rare or endangered species under CEQA (State CEQA Guidelines Section 15380).
- Animals listed or proposed for listing by the State of California as threatened and endangered under the CESA (14 CCR 670.5).
- Animal species of special concern to CDFW.
- Animal species that are fully protected in California (CFGC Sections 3511 [birds], 4700 [mammals], and 5050 [reptiles and amphibians]).

Based on a CNDDB query and a project review by CDFW, five special status-animal species have the potential to occur within the project area including the state threatened and federally endangered San Joaquin kit fox (*Vulpes macrotis mutica*); and state species of special concern American badger (*Taxidea taxus*), Salinas pocket mouse (*Perognathus inornatus psammophilus*), western spadefoot (*Spea hammondii*), and northern California legless lizard (*Anniella pulchra*). Based on project site conditions, including suitable foraging habitats and soils, only San Joaquin kit fox and American badger were identified as having the potential to occur on the project site.

<u>San Joaquin Kit Fox</u>
San Joaquin kit fox, a federally listed endangered species and a state-listed threatened species, have been documented as occurring on the project site. The kit fox is uncommon to rare. They reside in arid regions of the southern half of the state. A usually nocturnal mammal, kit foxes live in annual grasslands or grassy open stages of vegetation dominated by scattered brush, shrubs, and scrub. Kit foxes primarily are carnivorous, subsisting on black-tailed jackrabbits and desert cottontails, rodents (especially kangaroo rats and ground squirrels), insects, reptiles, some birds, bird eggs, and vegetation. Their cover is provided by dens they dig in open, level areas with loose-textured, sandy, and loamy soils. Pups are born in these dens in February through April. Pups are weaned at about 4 to 5 months. Some agricultural areas may support these foxes. Potential predators are coyotes, large hawks and owls, eagles, and bobcats. Agricultural activities has eliminated much of the kit fox habitat in the project vicinity. Kit foxes are vulnerable to many human activities, such as hunting, use of rodenticides and other poisons, off-road vehicles, and trapping.

<u>American Badger</u>
American badger can occupy a diversity of habitats and requires sufficient food, friable soils, and open, uncultivated ground. The project area contains suitable habitat features to support American badger and there are known occurrences within 3 miles. The American badger population in California has been declining due to agriculture and urban development. The population now survives in low numbers in peripheral parts of the valley and lowlands of San Luis Obispo County.

Special-Status Species Surveys and Results

A special-status plant survey and American badger survey was conducted by Althouse and Meade, LLC. on July 12 and 27, 2018. The survey detected 12 individuals of Salinas milk vetch within the project site. Salinas milk vetch is on the CNPS Rare Plant Rank (CRPR) 4.3 Watch List due to limited distribution and a Threat Rank (0.3) indicating it is not very threatened in California. Special-status animal species including American badger were not detected within the project site during the surveys.

Impact. The project has been reviewed by CDFW for potential impacts related to biological resources. CDFW specifically identified potential impacts to two special-status plant species (dwarf calycadenia and shining naverretia) and their ability to survive and reproduce. The special-status plant survey did not find dwarf calycadenia and shining naverretia present within the project site; however, 12 individuals of Salinas milk vetch were present, 10 of which occur directly within the project footprint and would be directly impacted. Mitigation Measures BIO-1 through BIO-4 would require seed collection and plant relocation to reduce impacts related to Salinas milk vetch to less than significant.

San Joaquin kit fox have been documented in the project area and the project site contains grasslands and oak woodlands, which is potentially suitable habitat for the kit fox. Kit fox may be attracted to the project area due to the type and level of proposed ground disturbing activities and the loose friable soils resulting from intensive ground disturbance. As a result, there is potential for kit fox to occupy or colonize the project area. Without appropriate avoidance and minimization measures for kit fox, potentially significant impacts associated with the project's construction could occur, including den collapse, inadvertent entrapment, reduced reproductive success, reduction in health and vigor of young, and direct mortality of individuals. In addition, increased disturbance associated with employees, traffic, noise and lighting could adversely impact kit fox. Potentially significant impacts to local populations of kit fox would be reduced to less than significant through implementation of Mitigation Measures BIO-5, BIO-6, and BIO-7, which would require preconstruction surveys and avoidance measures if determined present.

Habitat loss resulting from agricultural, urban, and industrial development is the primary threat to kit fox. The project would be one mile south of Camp Roberts, which is identified as having suitable kit fox habitat. Based on the San Joaquin kit fox Standard Mitigation Ratio Areas map created by San Luis Obispo County, the project would be located in an area where the County has identified a kit fox mitigation ratio of 3:1 (where three acres of conserved habitat is required for each acre impacted). A San Joaquin Kit Fox Evaluation was prepared by Mike McGovern on December 21, 2017 and reviewed by CDFW on July 3, 2018. Based on CDFW's review of the project, up to 11.2 acres of kit fox habitat would be impacted and would require the standard 3:1 mitigation ratio. Mitigation Measure BIO-8 would require the project to provide up to 33.6 acres of compensatory mitigation for the 11.2 acres that will be impacted by this project. Implementation of one of three options available in Mitigation Measure BIO-8 would reduce impacts to kit fox habitat to less than significant.

There are no wetlands or riparian habitats within the project area; therefore, these habitats would not be impacted by the project. Compliance with Mitigation Measures BIO-1 through BIO-8 would be consistent with regional plans and policies for protecting sensitive species; therefore, impacts would be less than significant with mitigation.

Mitigation/Conclusion. The proposed project would result in the removal of 10 Salinas milk vetch, a rare plant listed by CNPS. Implementation of Mitigation Measures BIO-1 through BIO-4 would reduce the loss of Salinas milk vetch through seed collection and relocation; therefore, impacts would be less than significant. The project proposes development within kit fox habitat which could result in potentially significant impacts to kit fox. Mitigation Measures BIO-5 through BIO-8 would require preconstruction surveys and avoidance measures as well as compensatory mitigation for the loss of kit fox habitat to reduce impacts related to kit fox to less than significant. Compliance with Mitigation Measures BIO-1 through BIO-8 would be consistent with regional plans and policies for protecting sensitive species; therefore, impacts would be less than significant with mitigation.

5. CULTURAL RESOURCES

Will the project:	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Disturb archaeological resources?	☐	☐	☒	☐
b) Disturb historical resources?	☐	☐	☒	☐
c) Disturb paleontological resources?	☐	☐	☒	☐
d) Cause a substantial adverse change to a Tribal Cultural Resource?	☐	☐	☒	☐
e) Other: _____	☐	☐	☐	☒

Cultural Resources

Setting. The project would be located in an area historically occupied by the Obispeno Chumash, Salinan and Yokut. No historic structures are present, and no paleontological resources are known to exist in the area. The project would disturb up to 15.4 acres of non-native annual grassland and blue oak woodland habitat. The nearest streams include an unnamed drainage located 200 feet southwest and San Marcos Creek located 825 feet northwest. There are no significant geologic features or outcroppings within the project area.

In accordance with Assembly Bill AB 52 (AB 52) Cultural Resources requirements, outreach to four Native American tribal groups was conducted (Northern Salinan, Xolon Salinan, Yak Tityu Tityu Northern Chumash, and the Northern Chumash Tribal Council). Comments were received from the Salinan Tribe of Monterey and San Luis Obispo County on February 2, 2018 requesting that a Phase 1 Archaeological Study be prepared and submitted for review.

Impact. A Phase 1 Archaeological Surface Survey was prepared by Heritage Discoveries, Inc. on August 14, 2018 (Heritage Discoveries, Inc. 2018), and concluded that prehistoric or historic cultural resources were not present within the proposed project area. A literature search and records search further confirmed no known archaeological sites are near the study area. The Phase 1 Archaeological Surface Survey was submitted to Salinan Tribe of Monterey and San Luis Obispo County for review. No additional comments were received, and no further information regarding sensitive sites within project area was received. Therefore, the potential for archaeological resources to exist at the site is considered low.

In the unlikely event resources are uncovered during grading activities, implementation of LUO Section 22.10.040 (Archaeological Resources) would be required. This section requires, in the event archaeological resources are encountered during project construction, that construction activities cease, and the Planning Department be notified of the discovery. If the discovery includes human remains, the County Coroner is also to be notified.

There are no historical resources identified within the project area. No archaeological resources were identified in the project area based on the records search or the pedestrian survey. The project area is within Pliocene-Pleistocene nonmarine sedimentary rocks according to the California Department of Conservation's 2010 Geologic Map of California. There are no known paleontological resources within the project site and there is low potential for encountering fossils based on the underlying geology. Therefore, no significant impacts to historical, archaeological, paleontological, or tribal cultural resources would occur.

Mitigation/Conclusion. No significant cultural or tribal cultural resources impacts would occur, and no mitigation measures beyond compliance with the LUO are necessary to mitigate for the unlikely discovery of prehistoric, archaeological, or historic resources, or human burials.

6. GEOLOGY AND SOILS *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Result in exposure to or production of unstable earth conditions, such as landslides, earthquakes, liquefaction, ground failure, land subsidence or other similar hazards?	☐	☐	☒	☐
b) Be within a California Geological Survey "Alquist-Priolo" Earthquake Fault Zone", or other known fault zones*?	☐	☐	☐	☒
c) Result in soil erosion, topographic changes, loss of topsoil or unstable soil conditions from project-related improvements, such as vegetation removal, grading, excavation, or fill?	☐	☐	☒	☐
d) Include structures located on expansive soils?	☐	☐	☐	☒
e*) Be inconsistent with the goals and policies of the County's Safety Element relating to Geologic and Seismic Hazards?*	☐	☐	☒	☐
f) Preclude the future extraction of valuable mineral resources?	☐	☐	☐	☒
g) Other: _____	☐	☐	☐	☒

* **Per Division of Mines and Geology Special Publication #42**

Geology and Soils

Setting. The following relates to the project's geologic aspects or conditions:

Topography: Gently rolling to moderately sloping

Within County's Geologic Study Area?: No

Landslide Risk Potential: Moderate to moderately high

Liquefaction Potential: Low

Nearby potentially active faults?: No Distance? Not applicable

Area known to contain serpentine or ultramafic rock or soils?: No

Shrink/Swell potential of soil: Negligible

Other notable geologic features? None

Impact. The proposed project would result in the disturbance of approximately 15.4 acres, including approximately 65,800 cubic yards of cut and 52,700 cubic yards of fill (total of 118,500 cubic yards of earthwork). Site disturbance includes road improvements, development of indoor and outdoor cultivation areas and associated accessory buildings, and a supporting aquaponics nursery. During grading activities there is a potential for erosion and down-gradient sedimentation to occur. A

sedimentation and erosion control plan is required for all construction and grading projects (LUO Section 22.52.120) to minimize potential impacts related to erosion and sedimentation, and includes requirements for specific erosion control materials, setbacks from creeks, and siltation. The plan must be prepared by a civil engineer to address both temporary and long-term sedimentation and erosion impacts. The project would also be within a drainage review area and would be required to have a drainage plan prepared by a licensed professional (LUO Section 22.52.110). The project would result in over one acre of disturbance and would be subject to Regional Water Quality Control Board (RWQCB) requirements for preparation of a Storm Water Pollution Prevention Plan (SWPPP) (LUO Section 22.52.130) which may include the preparation of a Storm Water Control Plan to further minimize onsite sedimentation and erosion.

The applicant is required to comply with existing LUO standards, including Sections 22.52.100 (Grading Plan Requirements) and 22.52.150 (Standards). The project would conform to the County Public Improvement Standards for material and construction specifications. Compliance with these practices and other applicable standards would typically indicate that risks to people and/or structures, including those related to unstable earth conditions, were properly safeguarded against. The project is primarily agricultural and does not propose uses that would be highly sensitive to unstable soil conditions.

Mitigation/Conclusion. Compliance with existing regulations and the measures outlined in the County's LUO and codes would ensure no significant geologic or soil impacts would occur. No mitigation measures are necessary.

7. HAZARDS & HAZARDOUS MATERIALS - ***Will the project:***	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a) Create a hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☒	☐
b) Create a 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 ¼-mile of an existing or proposed school?	☐	☐	☐	☒
d) Be located on, or adjacent to, a site which is included on a list of hazardous material/waste sites compiled pursuant to Gov't Code 65962.5 ("Cortese List"), and result in an adverse public health condition?	☐	☐	☐	☒
e) Impair implementation or physically interfere with an adopted emergency response or evacuation plan?	☐	☐	☐	☒

7. HAZARDS & HAZARDOUS MATERIALS - *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
f) If within the Airport Review designation, or near a private airstrip, result in a safety hazard for people residing or working in the project area?	☐	☐	☐	☒
g) Increase fire hazard risk or expose people or structures to high wildland fire hazard conditions?	☐	☐	☒	☐
h) Be within a 'very high' fire hazard severity zone?	☐	☐	☒	☐
i) Be within an area classified as a 'state responsibility' area as defined by CalFire?	☐	☐	☒	☐
j) Other: _____	☐	☐	☐	☐

Hazards and Hazardous Materials

Setting. The project would not be located in an area of known hazardous material contamination and is not on a site listed on the "Cortese List" (which is a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5) (SWRCB 2018; California Department of Toxic Substance Control [DTSC] 2018). The project would be located within the State Responsibility Area in a high fire hazard severity zone adjacent to lands in the very high severity zone. Based on the County's response time map, it would take approximately 15 to 20 minutes to respond to a call regarding fire or life safety. The project would be not located within an Airport Review Area and there are no active public or private landing strips within the vicinity.

Impact. The project proposes cannabis manufacturing which is licensed by the California Department of Public Health's Manufactured Cannabis Safety Branch (MCSB). In order to maintain a state-issued cannabis manufacturing license, the project would be subject to California Code of Regulations (CCR) Title 17, Chapter 13, Manufactured Cannabis Safety, which includes production and process controls that require a hazard analysis and other preventative controls. Additionally, the manufacturing extraction operation and facilities must be approved for use by the local fire department and comply with any required fire, safety, and building code requirements related to the processing, handling, and storage of the applicable solvents or gas (CCR Title 17, Section 40225).

The proposed project would employ ethanol extraction as its primary extraction process to draw out the cannabinoids and terpenes from the plant material. Section 40100 lists ethanol as a non-volatile solvent and is generally regarded as a safer means of extraction than carbon dioxide because it does not require the use of high-pressure. Ethanol is effective for extraction because of its solvent properties which can dissolve both polar (hydrophilic) and nonpolar (hydrophobic/lipophilic) substances. Ethanol's polar hydroxyl group combined with oxygen's high electronegativity allows hydrogen bonding to take place with other molecules that will dissolve hydrophilic compounds like chlorophyll, pigments and tannins. Ethanol's nonpolar ethyl group works with the hydrophobic components like plant waxes, lipids, oils, cannabinoids, terpenes and any other substances that are present inside or on the outside of the plant. Following the initial extraction, the cannabinoid and terpene concentrate is dissolved with warm ethanol and then cooled to filter off undesirable lipids and waxes. The concentrate is further distilled to remove the remaining ethanol through an evaporator. CCR Title 17, Section 40223 requires ethanol extraction operations to be approved by the local fire code official and shall be operated in accordance with the

Division of Occupational Health and Safety (Cal/OSHA) regulations and any other relevant state and local requirements.

The project would include the construction of new accessory buildings to support indoor and outdoor cultivation, an indoor aquaponics nursery, and the use of an existing agriculture building (Building 4A) for non-volatile oil extraction activities. A Master Fire Protection Plan and Summary Report (Collings and Associates 2017) was prepared for the project and includes recommendations for fire suppression and safety. The Master Fire Protection Plan and the proposed fire sprinkler plan was reviewed by County Fire/CAL FIRE (CAL FIRE 2018) and no concerns were identified.

The renovated agricultural building (Building 4A) would be used to store raw materials and cannabis oil extracts. Hazardous materials, such as ethanol required for non-volatile manufacturing, would be stored in a secure storage room within a fire-safe cabinet. Non-hazardous materials such as natural and organic fertilizers used for cultivation would be stored in an agricultural accessory building located near the cultivation areas. The proposed project would be subject to all County building code and fire safety requirements as well as all applicable standards for ethanol extraction per CCR Title 17, Section 40223. Additionally, the project would be required to obtain building permits for all proposed structures and would be subject to a final inspection by County Fire/CAL FIRE prior to occupancy.

A Training and Safety Plan has been prepared for the project and includes independent best practices and inputs from professionals from the cannabis industry, regulatory agencies, OSHA, medical services, and law enforcement. The project would be required to comply with all county building code and fire safety requirements and would adhere to the best management practices outlined in the Training and Safety Plan.

Construction of new building and road improvements may require the use of standard oils and fuels to operate equipment. These materials would be used according to the manufacture's specifications and stored in a secure location. Ethanol would be used in relatively small quantities and would be handled and stored in accordance CCR Title 17, Section 40223. The project does not propose the routine transport, use, or disposal of hazardous materials, or create a hazard to the public through the accidental release of a hazardous material. The proposed project is not found on the 'Cortese List' and does not present a significant fire safety risk. The project would not conflict with any regional emergency response or evacuation plan.

Mitigation/Conclusion. No significant impacts as a result of hazards or hazardous materials would occur, and no mitigation measures are necessary beyond the requirements of existing County Code and state law.

8. NOISE *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Expose people to noise levels that exceed the County Noise Element thresholds?	☐	☐	☒	☐
b) Generate permanent increases in the ambient noise levels in the project vicinity?	☐	☐	☒	☐
c) Cause a temporary or periodic increase in ambient noise in the project vicinity?	☐	☐	☒	☐
d) Expose people to severe noise or vibration?	☐	☐	☒	☐
e) If located within the Airport Review designation or adjacent to a private airstrip, expose people residing or working in the project area to severe noise levels?	☐	☐	☒	☐
f) Other: _____	☐	☐	☐	☒

Noise

Setting. The project would be located in a rural part of the county surrounded by agricultural uses, with the nearest noise sensitive land uses (rural residences) located more than 800 feet away. Based on the County's General Plan Noise Element, future noise generation from known stationary and vehicle-generated noise sources for the project area are within acceptable levels. The project would not be located within an Airport Review Area and there are no active public or private landing strips within the vicinity.

The County's General Plan Noise Element outlines numerical noise standards that limit noise exposure at noise-sensitive land uses. For transportation noise sources, 60 A-weighted decibels (dBA) day/night average sound level (LDN) or Community Noise Equivalent Level (CNEL) is the acceptable level, and 70 dBA LDN or CNEL is considered conditionally acceptable. The maximum allowable noise-exposure for stationary noise sources during the daytime (7 a.m. to 10 p.m.) is 70 dBA. Section 22.10.120 of the LUO limits construction activities 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 to reduce construction noise and disturbance during the most sensitive times of day.

Impact. The proposed project does not include any features that would generate a permanent or consistent source of mobile or stationary operational noise that would exceed County noise thresholds. Development of the project would result in short-term construction noise associated with grading and construction of the proposed structures. The project would be required to adhere to Section 22.10.120 of the LUO, which limits the hours of construction activities.

Operational noise generated from day-to-day cultivation activities would be similar to the existing noise levels from current bed and breakfast and cultivation operations and are consistent with noise associated with nearby agriculture activities. Primary noise sources associated with the project would include the operation of heavy trucks or tractors and the use of generators or small motorized equipment. Activities associated with manufacturing would occur within an enclosed building during the day and do not involve processes that generate loud noises. Other noise generating activities would

generally be limited to the daytime, with the exception of generators that may be used in the early mornings and evenings. Generator noise levels could range from 90 to 115 dBA at the source, or between 65 and 90 dBA at 50 feet from the source. By estimating sound dampening over distance, noise produced by a generator would generally be reduced over distance at a rate of about 6 dBA per doubling of distance. Generators would be located near the center of the project site over 1,000 feet from the nearest sensitive land use and are not expected to exceed the County's threshold for stationary sources. Because the project would not be within close proximity to nearby sensitive land uses and noise-generating activities associated with the project would be within the County's noise thresholds for stationary sources, noise related impacts would be less than significant.

Mitigation/Conclusion. During Construction, the project would be required to adhere to all noise standards within Section 22.10.120 of the LUO. Based on the location of the proposed project and the distance of any noise generating activities to the nearest sensitive land uses, the project would not exceed the County's noise thresholds. No significant noise impacts would occur, and no mitigation measures are necessary.

9. POPULATION/HOUSING *Will the project:*	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a) Induce substantial growth in an area either directly (e.g., construct new homes or businesses) or indirectly (e.g., extension of major infrastructure)?	☐	☐	☒	☐
b) Displace existing housing or people, requiring construction of replacement housing elsewhere?	☐	☐	☒	☐
c) Create the need for substantial new housing in the area?	☐	☐	☒	☐
d) Other: _____	☐	☐	☐	☒

Population/Housing

Setting In its efforts to provide for affordable housing, the county currently administers the Home Investment Partnerships (HOME) Program and the Community Development Block Grant (CDBG) program, which provides limited financing to projects relating to affordable housing throughout the county. The County's Inclusionary Housing Ordinance requires provision of new affordable housing in conjunction with both residential and nonresidential development and subdivisions. The project site is zoned for Agriculture land use and is surrounded by existing agriculture uses such as small operational orchards, vineyards, and farms. The project site contains an existing single-family residence for the operation of a bed-and-breakfast. No new or additional housing is associated with the project.

Impact. The project proposes cannabis activities within an agricultural area and would employ up to 18 workers. Workers would be sourced from the local labor pool and would not require new or additional housing as a result of the proposed project. The general scope and scale of the proposed activities would not directly or indirectly induce substantial population growth in the area and would not result in a need for a significant amount of new housing nor displace existing housing including the bed and breakfast.

Mitigation/Conclusion. No significant population and housing impacts would occur as a result of the

proposed project; therefore, no mitigation measures are necessary.

10. PUBLIC SERVICES/UTILITIES *Will the project have an effect upon, or result in the need for new or altered public services in any of the following areas:*	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a) Fire protection?	☐	☐	☒	☐
b) Police protection (e.g., Sheriff, CHP)?	☐	☐	☒	☐
c) Schools?	☐	☐	☒	☐
d) Roads?	☐	☒	☐	☐
e) Solid Wastes?	☐	☐	☒	☐
f) Other public facilities?	☐	☐	☒	☐
g) Other: _____	☐	☐	☐	☒

Public Services

Setting. The project area is served by the following public services/facilities:

Police: County Sheriff Location: Templeton (Approximately 11 miles to the southeast)

Fire: Cal Fire (formerly CDF) Hazard Severity: High Response Time: 15-20 minutes

Location: #30-Paso Robles located at 2510 Ramada Drive bewtween Tempelton and Paso Robles (Approximately 11.5 miles to the southeast)

School District: Paso Robles Joint Unified School District.

A 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 for the construction as needed to finance the facilities required to the serve new development.

Impact. A Master Fire Protection Plan (Collings and Associates 2017) has been prepared for the project and includes recommendations for fire flow water storage, fire sprinkler systems, and hydrant flow requirements. County Fire/CAL FIRE reviewed the plan and included additional requirements that must be satisfied prior to final inspection and occupancy (CAL FIRE 2018). The project would be required to comply with the recommendations in the Master Fire Protection Plan, County Fire/CAL FIRE requirements, and standard County building codes; therefore, impacts to fire protection services would be less than significant. Additional information regarding fire hazard impacts is discussed in *Section 7. Hazards and Hazardous Materials* of this Initial Study.

A Security Plan has been prepared by Operational Security Solutions (OSS) in accordance with San Luis Obispo County Code 22.40.040 – 22.40.130 and the San Luis Obispo County Sheriff's Office requirements. The Security Plan lays out specific security measures and protocols for perimeter security, facility access, video surveillance, alarm systems, and fire security (OSS 2017). The Security Plan is subject to review and approval by the San Luis Obispo County Sheriff's Office prior to issuance of County business licenses. 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 San Luis Obispo County Sheriff's Office; therefore, impacts related to police services would be

less than significant.

As discussed in *Section 9. Population/Housing* of this Initial Study, the project would not induce population growth and would not require additional school services or facilities. Therefore, impacts on schools would be less than significant.

A traffic report prepared by Orosz Engineering Group, Inc. (OEG) analyzed the project's trip generation and the potential to impacts nearby roads (OEG 2018). The traffic report was reviewed by the County Department of Public Works and they determined that the proposed project would have direct and cumulative impacts to Nacimiento Lake Drive, which has been identified for improvements in the Nacimiento Lake Drive Corridor Study (Nevin Sams Consulting Services 2012). Mitigation Measures PS-1 and PS-2 would require payment through a fair share contribution plan and a road improvement plan for future road improvements. With implementation of these measures, impacts to roads would be reduced to less than significant with mitigation. Transportation related impacts are discussed further in *Section 12. Transportation* of this Initial Study.

The project proposes cultivation and non-volatile manufacturing activities, which would result in the production of green waste, a biodegradable waste primarily composed of organic materials. Green waste not used in the manufacturing processes would be composted and managed onsite. Additional solid waste would be collected by Paso Robles Waste and Recycle and disposed of at the Paso Robles Landfill, which has a remaining capacity of 4,216,402 cubic yards. Electricity would be provided by an onsite hookup from PG&E and would be offset by solar power.

While the project would not have a significant direct impact on schools, or police and fire protection services, it would result in a cumulative impact associated with increased demand for these services. These impacts are within the general assumption of allowed uses for the subject property that was used to estimate the fees currently in place. Payment of applicable fees would allow for the maintenance and construction of new public facilities and services, resulting in less than significant cumulative impacts on public facilities.

Mitigation/Conclusion. Payment of applicable fees to the County would reduce cumulative impacts related to public facilities and schools to less than significant. Additionally, Mitigation Measures PS-1 and PS-2 would mitigate impacts to roads to less than significant by requiring a fair share contribution payment and a road improvement plan for future road improvements. No additional mitigation beyond ordinance requirements and mitigation PS-1 and PS-2 would be required.

11. RECREATION

Will the project:	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Increase the use or demand for parks or other recreation opportunities?	☐	☐	☒	☐
b) Affect the access to trails, parks or other recreation opportunities?	☐	☐	☐	☒
c) Other _____	☐	☐	☐	☒

Recreation

Setting. The project would be located within a privately-owned parcel that would support the cultivation of cannabis and would not be open to the general public. The County's Parks and Recreation Element does not identify potential trail corridors within the vicinity of the proposed project.

Impact. The establishment of cannabis cultivation and non-volatile manufacturing would employ up to 18 people from the local labor pool which would not increase populations or demand on existing or planned recreational opportunities in the County. The project is not proposed in a location that would affect any existing or proposed trail, park, recreational resource, coastal access, and/or Natural Area. The proposed project would not induce population growth or create a significant need for additional park, Natural Area, and/or recreational resources.

Mitigation/Conclusion. No significant impacts on recreational resources would occur, and no mitigation measures are necessary.

12. TRANSPORTATION/CIRCULATION

Will the project:	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Increase vehicle trips to local or areawide circulation system?	☐	☐	☒	☐
b) Reduce existing "Level of Service" on public roadway(s)?	☐	☐	☒	☐
c) Create unsafe conditions on public roadways (e.g., limited access, design features, sight distance, slow vehicles)?	☐	☐	☒	☐
d) Provide for adequate emergency access?	☐	☐	☒	☐
e) Conflict with an established measure of effectiveness for the performance of the circulation system considering all modes of transportation (e.g. LOS, mass transit, etc.)?	☐	☐	☒	☐
f) Conflict with an applicable congestion management program?	☐	☐	☒	☐

12. TRANSPORTATION/CIRCULATION *Will the project:*	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
g) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	☐	☐	☒	☐
h) Result in a change in air traffic patterns that may result in substantial safety risks?	☐	☐	☐	☒
i) Other: Increase the need for road improvements?_____	☐	☒	☐	☐

Transportation

Setting. The County has established the acceptable Level of Service (LOS) on roads for this rural area as "C" or better. The existing road network in the area, including Nacimiento Lake Drive, is operating at acceptable levels. Based on existing road speeds and configuration (vertical and horizontal road curves), sight distance is considered acceptable.

Impact. A traffic report prepared by Orosz Engineering Group, Inc. (OEG) analyzed project trip generation, impacts to the Nacimiento Lake Drive corridor, roadway safety, and site access (OEG 2018). The traffic report was reviewed and revised by the County Public Works Department. The proposed project would result in 38 average daily trips (ADT) with 5 PM peak hour trips (trips between 4:00 PM and 6:00 PM). County Public Works concluded that while the project would result in a relatively low volume of traffic and a roadway safety analysis would not be required, the project would have direct and cumulative impacts to Nacimiento Lake Drive, which was identified as needing improvements in the Nacimiento Lake Drive Corridor Study (Nevin Sams Consulting Services 2012). Impacts to roads from the project would be reduced through Mitigation Measures PS-1 and PS-2, which would require payment through a fair share contribution plan and a road improvement plan for future road improvements.

The project site is currently accessed via an unimproved driveway off Lake Nacimiento Drive. Based on the proposed project and County requirements, the driveway would need to be improved to the County of San Luis Obispo Standard B-1e for high-speed/high volume roadways. Stopping site distance for the proposed access was also evaluated and was found to meet the requirements of County of San Luis Obispo Standard A-5a. With Mitigation Measure T-1 requiring Standard B-1e driveway improvements, the project would not result in unsafe conditions on public roadways.

The applicant would be required to demonstrate that onsite circulation has been designed and constructed to conform with County Fire/CAL FIRE standards and specifications back to the nearest roadway (Lake Nacimiento Drive). Compliance with County Fire/CAL FIRE standards and specifications for onsite circulation would ensure adequate emergency access is provided within the site.

Based on the relatively low volume of traffic anticipated, the proposed project would not conflict with an applicable congestion management program. Additionally, the type of activities and the relative remoteness of the project would not conflict with any other adopted policies or plans regarding public transportation or other alternative transportation facilities. The project would not be located within the immediate vicinity of an airport or airstrip; therefore, the project would not interfere with air traffic patterns.

Mitigation/Conclusion. A traffic engineering report has been prepared for the project and was reviewed by the County Public Works Department. The project would be required to contribute to a fair

share contribution program and a road improvement plan per Mitigation Measures PS-1 and PS-2 to mitigate cumulative impacts on Lake Nacimiento Drive. With implementation of Mitigation Measures PS-1 and PS-2, cumulative impacts to Nacimiento Lake Drive would be reduced to less than significant. Per Mitigation Measure T-1 the project would be required to make driveway access improvements as well as comply with all County requirements regarding roadway improvements to reduce traffic-related impacts to less than significant. The project does not propose any other activities or improvements that would significantly impact traffic or transportation and no additional mitigation is necessary.

13. WASTEWATER ***Will the project:***	**Potentially Significant**	**Impact can & will be mitigated**	**Insignificant Impact**	**Not Applicable**
a) Violate waste discharge requirements or Central Coast Basin Plan criteria for wastewater systems?	☐	☐	☒	☐
b) Change the quality of surface or ground water (e.g., nitrogen-loading, day-lighting)?	☐	☐	☒	☐
c) Adversely affect community wastewater service provider?	☐	☐	☐	☒
d) Other: _____	☐	☐	☐	☒

Wastewater

Setting. Regulations and guidelines on proper wastewater system design and criteria are found within the County's Plumbing Code (hereafter CPC; see Chapter 7 of the Building and Construction Ordinance [Title 19]), the "Water Quality Control Plan, Central Coast Basin" (Regional Water Quality Control Board [RWQCB] hereafter referred to as the "Basin Plan"), and the California Plumbing Code. These regulations include specific requirements for both private and community wastewater systems and are applied to all new wastewater systems.

For on-site septic systems, there are several key factors to consider for a system to operate successfully, including the following:

- ✓ Sufficient land area (refer to County's Land Use Ordinance or Plumbing Code) – depending on water source, parcel size minimums will range from one acre to 2.5 acres;
- ✓ The soil's ability to percolate or "filter" effluent before reaching groundwater supplies (30 to 120 minutes per inch is ideal);
- ✓ The soil's depth (there needs to be adequate separation from bottom of leach line to bedrock [at least 10 feet] or high groundwater [5 feet to 50 feet depending on percolation rates]);
- ✓ The soil's slope on which the system is placed (surface areas too steep creates potential for daylighting of effluent);
- ✓ Potential for surface flooding (e.g., within 100-year flood hazard area);
- ✓ Distance from existing or proposed wells (between 100 and 250 feet depending on circumstances); and
- ✓ Distance from creeks and water bodies (100-foot minimum).

To assure a successful system can meet existing regulation criteria, proper conditions are critical.

Above-ground conditions are typically straight-forward and most easily addressed. Below ground criteria may require additional analysis or engineering when one or more factors exist:

- ✓ the ability of the soil to "filter" effluent is either too fast (percolation rate is faster or less than 30 minutes per inch and has "poor filtering" characteristics) or is too slow (slower or more than 120 minutes per inch);
- ✓ the topography on which a system is placed is steep enough to potentially allow "daylighting" of effluent downslope; or
- ✓ the separation between the bottom of the leach line to bedrock or high groundwater is inadequate.

Based on Natural Resource Conservation Service (NRCS) Soil Survey map, the soil type(s) for the project is provided in the previous Agricultural Resource section. The main limitations of the site's soil for wastewater effluent include shallow depth to bedrock, steep slopes, and slow percolation rates.

Shallow depth to bedrock is an indication that there may not be sufficient soil depth to provide adequate soil filtering of effluent before reaching bedrock. Once effluent reaches bedrock, the chances increase for the effluent to infiltrate cracks that could lead directly to a groundwater source or surrounding wells without adequate filtering, or could allow for daylighting of effluent where bedrock is exposed to the earth's surface. To comply with the Basin Plan, additional information is needed prior to issuance of a building permit, such as boring at leach lines locations, to show that there will be adequate separation between leach line and bedrock.

Steep slopes are an issue when portions of the soil unit contain slopes steep enough to result in potential daylighting of wastewater effluent (no system is allowed on greater than 30% slopes). To comply with the Basin Plan, additional information is needed prior to issuance of a building permit, such as slope comparison with leach line depths to show there is no potential of effluent "daylighting" to the ground surface.

Slow percolation occurs when fluids percolate too slowly through the soil for the natural processes to effectively break down the effluent into harmless components. The Basin Plan states that the percolation rate should be greater than 30 and less than 120 minutes per inch. To comply with the Basin Plan, an engineered septic system informed by site-specific percolation data will be required prior to building permit issuance that shows that the leach field can adequately percolate to achieve this threshold.

There are two existing onsite wastewater systems, one for the bed and breakfast/residence, and one for the existing agricultural building (Building 4A). The existing wastewater systems would continue to accommodate existing levels of activities; however, an additional wastewater system is being proposed to accommodate the proposed cultivation areas.

Impact. The proposed project would require an expansion of the existing wastewater treatment system to accommodate future uses. The project would be located on an 82.24-acre parcel, which would provide adequate space for siting of a future wastewater system. However, based on the site's soil characteristics, several constraints including shallow depth to bedrock, steep slopes, and slow percolation may limit the siting of the wastewater system. As a result, percolation testing would be required by a qualified professional to determine an appropriate location for any future onsite wastewater treatments systems.

Mitigation/Conclusion. Prior to building permit issuance, the existing and future wastewater treatment systems will require to be evaluated by a qualified professional to insure compliance with the Basin Plan. No additional mitigation measures are required beyond compliance with existing ordinance and code requirements.

14. WATER & HYDROLOGY

Will the project:	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
QUALITY				
a) Violate any water quality standards?	☐	☐	☒	☐
b) Discharge into surface waters or otherwise alter surface water quality (e.g., turbidity, sediment, temperature, dissolved oxygen, etc.)?	☐	☐	☒	☐
c) Change the quality of groundwater (e.g., saltwater intrusion, nitrogen-loading, etc.)?	☐	☐	☒	☐
d) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide additional sources of polluted runoff?	☐	☐	☒	☐
e) Change rates of soil absorption, or amount or direction of surface runoff?	☐	☐	☒	☐
f) Change the drainage patterns where substantial on- or off-site sedimentation/ erosion or flooding may occur?	☐	☐	☒	☐
g) Involve activities within the 100-year flood zone?	☐	☐	☒	☐
QUANTITY				
h) Change the quantity or movement of available surface or ground water?	☐	☐	☒	☐
i) Adversely affect community water service provider?	☐	☐	☒	☐
j) Expose people to a risk of loss, injury or death involving flooding (e.g., dam failure,etc.), or inundation by seiche, tsunami or mudflow?	☐	☐	☒	☐
k) Other: _____	☐	☐	☐	☒

Water

Setting. The project would be located within the Salinas Hydrological Unit within both the Lower San Marcos Creek Watershed and the Mustard Creek Watershed. The project site is underlain by the Paso Robles Groundwater Basin within the Salinas/Estrella Water Planning Area. The Federal Emergency Management Agency (FEMA) Flood Insurance Rate Maps (FIRM) indicate that there are no floodplains present within the project area and it is mapped entirely within Flood Zone X (Panel 06079C0375F, effective 8/28/2008). The USGS Adelaida, California 7.5-minute quadrangle map shows the nearest blue-line channel is an unnamed drainage located within the subject parcel approximately 200 feet southwest of the proposed area of disturbance. The project site is not located within the County's mapped dam inundation zone or in a flood-hazard combining designation. The water for the proposed

project would be sourced from an existing onsite well.

In 2015, the state legislature approved a new groundwater management law known as the Sustainable Groundwater Management Act (SGMA). SGMA requires that high- and medium-priority basins comply with the new law. The California Department of Water Resources designated the Paso Robles Groundwater Basin as a high-priority basin and designated the basin to be in a "condition of critical overdraft."

In January 2007, the County Board of Supervisors directed the preparation of a Resource Capacity Study (RCS) for the Paso Robles Groundwater Basin in accordance with the County's Resource Management System (RMS). The RMS describes a resource in terms of its Level of Severity (LOS) based on the rate of depletion and an estimate of the remaining capacity, if any. Levels of Severity are determined on a biennial basis through preparation of a Resource Summary Report (RSR) which provides a comprehensive summary of the state of the County's natural and human-made resources. The most recent RSR adopted in 2017 recommends that a Level of Severity III (the highest level of severity) be maintained for the Paso Robles Groundwater Basin.

The Countywide Water Conservation Program and Water-Related General Plan and County Code Amendments

On October 27, 2015, the County Board of Supervisors adopted the Countywide Water Conservation Program to address ongoing water scarcity concerns. The objectives of the Countywide Water Conservation Program are to halt increase in groundwater extraction in areas that have been certified LOS III; provide a mechanism to allow new development and new or altered irrigated agriculture to proceed in certified Level of Severity III areas, subject to the requirements of the County General Plan and County Code, in a manner that fully offsets projected water use; and to reduce the wasteful use of water in the county. The amendments were made effective on November 26, 2015, and affect the following areas:

- Paso Robles Groundwater Basin:
    - New buildings and new irrigated agriculture must offset new water use. (Building and Construction Ordinance and County LUO)
    - New construction and new irrigated agriculture in the Paso Robles Groundwater Basin must be water neutral.
- Countywide:
    - Water waste prevention measures apply to all unincorporated areas where a similar program is not already operated by a water purveyor. (Health and Sanitation Ordinance)
    - Agricultural best management practices are encouraged in all unincorporated areas (County LUO)

The adopted Countywide Water Conservation Program and ordinances included amendments to the County Health and Sanitation Ordinance, Building and Construction Ordinance, County LUO, and County Fee Schedule.

LUO Section 22.04.050 D. 5. requires all cannabis cultivation sites located within a groundwater basin with a Level of Severity III to provide an estimate of water use associated with cultivation activities, and a description of how the new water use will be offset. All water demand within a groundwater basin with LOS III is required to offset at a minimum 1:1 ratio unless a greater offset is required through the land use permit approval process. In addition, all water demand within an identified Area of Severe Decline shall offset at a ratio of 2:1. Offset clearance is obtained by the purchase of water use offset credits through a County-approved conservation program for the particular groundwater basin. If the average water use reported in the previous four quarterly water use reports is greater than the water use offset credits associated with the permitted use(s), the permittee will be required to either: 1) identify specific measures (and a timeframe for implementation) to reduce the metered water demand to be equal to, or less than, the water use offset credits associated with the project; or 2) purchase additional water use

offset credits from the approved water conservation program for the particular groundwater basin to offset the increased use documented by the water use reports. The project is not located within an Area of Severe Decline. Therefore, the water use offset is 1:1.

Drainage Characteristics

The topography of the project site is moderately sloping to steeply sloping The closest creek from the proposed development is located approximately 200 feet to the southwest. As described in the NRCS Soil Survey, the soil surface is considered to have low erodibility.

Projects involving more than one acre of disturbance are subject to preparation of a Storm Water Pollution Prevention Plan (SWPPP) to minimize on-site sedimentation and erosion. When work is done in the rainy season, the County's Land Use Ordinance requires that temporary erosion and sedimentation measures be installed.

DRAINAGE – The following relates to the project's drainage aspects:

Within the 100-year Flood Hazard designation? No

Closest creek? Unnamed creek Distance? Approximately 200 feet

Soil drainage characteristics: Not well drained

For areas where drainage is identified as a potential issue, the Land Use Ordinance (LUO Sec. 22.52.110) includes a provision to prepare a drainage plan to minimize potential drainage impacts. When required, this plan would need to address measures such as: constructing on-site retention or detention basins or installing surface water flow dissipaters. This plan would also need to show that the increased surface runoff would not have more impact than historic flows.

SEDIMENTATION AND EROSION – Soil type, area of disturbance, and slopes are key aspects to analyzing potential sedimentation and erosion issues. The project's soil types and descriptions are described in the Agriculture section under "Setting". As described in the NRCS Soil Survey, the project's soil erodibility is as follows:

Soil erodibility: Low

A sedimentation and erosion control plan is required for all construction and grading projects (LUO Sec. 22.52.120, 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 agency who monitors this program.

Impact

Water Quality/Hydrology

With regards to project impacts on water quality the following conditions apply:

- ✓ Approximately 15.4 acres of site disturbance is proposed and the movement of approximately 118,500 cubic yards of material;
- ✓ The project would be subject to standard County requirements for drainage, sedimentation and erosion control for construction and permanent use;
- ✓ The project would be disturbing over one acre and will be required to prepare a SWPPP, which will be implemented during construction;
- ✓ The project is not within a 100-year Flood Hazard designation;
- ✓ The project is more than 100 feet from the closest creek or surface water body;

- ✓ Stockpiles would be properly managed during construction to avoid material loss due to erosion;
- ✓ The project is subject to the County's Plumbing Code (Chapter 7 of the Building and Construction Ordinance [Title 19]), and/or the "Water Quality Control Plan, Central Coast Basin" for its wastewater requirements, where wastewater impacts to the groundwater basin would be less than significant;
- ✓ All hazardous materials and/or wastes would be properly stored on-site, which include secondary containment should spills or leaks occur;

The project proposes to establish new cultivation sites and associated facilities in an area that is generally elevated and entirely outside of the 100-year Flood Hazard designation. The nearest streams include an unnamed drainage located 200 feet southwest and San Marcos Creek located 825 feet northwest. The project would be required to comply with all National Pollution Discharge Elimination System (NPDES) requirements and prepare a SWPPP that incorporate Best Management Practices (BMPs) during construction. Water quality protection measures would include protection of stockpiles, protection of slopes, protection of all disturbed areas, protection of access roads and perimeter containment measures. With the implementation of a SWPPP and associated BMPs, impacts to water quality would be less than significant.

Water Quantity

The proposed project is located within the Paso Robles Groundwater Basin in an area that is not categorized as being in severe decline (County 2018) and is required to offset water usage at a 1:1 ratio per ordinance requirements. A water demand analysis prepared by the Wallace Group (Wallace Group 2018) estimates that the total water demand for the project is estimated to be 3.41 acre-feet a year.

The total project water demand by use is summarized in Table 2.

Table 2 - Project Water Demand

Use	Quantity	Water Demand	Demand (Acre Feet Per Year)
Project Water Demand			
Indoor Cultivation	20,160 sq.ft.	0.1 gallons per square foot per day x 260 days	1.61
Outdoor Cultivation	130,500 sq.ft.	0.03 gallons per square foot per day x 150 days	1.80
Total Water Demand:			**3.41 AFY**

Mitigation/Conclusion. As specified above for water quality, existing regulations and/or required plans would adequately address surface water quality impacts during construction and permanent use of the project. No additional measures above what are required or proposed are needed to protect water quality.

Based on the proposed amount of water to be used and the water source, the project would be required to offset their water demand at a 1:1 ratio by either offsetting water use onsite or purchasing credits for a one-time fee through a County approved Water Conservation Program for the basin. Offsetting the water demand of the proposed project would result in a net-neutral water impact which would ensure potential impacts to water would be less than significant. Therefore, no further mitigation measures are required.

15. LAND USE

Will the project:

	Inconsistent	Potentially Inconsistent	Consistent	Not Applicable
a) Be potentially inconsistent with land use, policy/regulation (e.g., general plan [County Land Use Element and Ordinance], local coastal plan, specific plan, Clean Air Plan, etc.) adopted to avoid or mitigate for environmental effects?	☐	☐	☒	☐
b) Be potentially inconsistent with any habitat or community conservation plan?	☐	☐	☒	☐
c) Be potentially inconsistent with adopted agency environmental plans or policies with jurisdiction over the project?	☐	☐	☒	☐
d) Be potentially incompatible with surrounding land uses?	☐	☐	☒	☐
e) Other: _____	☐	☐	☐	☒

Land Use

Setting/Impact. 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 Land Use Ordinance, General Plan, etc.). Referrals were sent to outside agencies to review for policy consistencies (e.g., CAL FIRE for Fire Code, APCD for Clean Air Plan, etc.). The project was found to be consistent with these documents (refer also to Exhibit A on reference documents used).

The project would not be located within or adjacent to a habitat or community conservation plan area. The project would be consistent and/or compatible with the surrounding uses as summarized on page 2 of this Initial Study.

Mitigation/Conclusion. No potential land use or planning inconsistencies would result from the project; therefore, potential impacts would be less than significant and no additional mitigation measures are required.

16. MANDATORY FINDINGS OF SIGNIFICANCE

Will the project:

	Potentially Significant	Impact can & will be mitigated	Insignificant Impact	Not Applicable
a) Have the potential to 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, 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 pre-history?	☐	☒	☐	☐
b) 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) Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☒	☐	☐

The project proposes indoor and outdoor cannabis cultivation as well as non-volatile manufacturing for cannabis oil extracts. Implementation of the recommended mitigation measures would ensure that the project would not substantially degrade the quality of the environment, reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels or threaten to eliminate a plant or animal community, or substantially reduce the number of, or restrict the range of, a rare or endangered plant or animal. The proposed project would not contribute significantly to GHG emissions or significantly increase energy consumption and would not eliminate important examples of California history or prehistory.

The project proposes cultivation and several new small buildings, where impacts would be minimized through the application of standard BMPs and recommended mitigation measures. The project does not have impacts that would be individually limited but cumulatively considerable with implementation of identified mitigation. There are no proposed or planned projects in the area that would create similar impacts, which, when considered together with the project-related impacts, would be considerable, or which compound or increase other long-term environmental impacts.

The proposed project would not create environmental impacts that would cause substantial adverse effects on human beings, either directly or indirectly. The project would result in some ground disturbance and vegetation removal, as well as the construction of several new buildings. Adverse project effects would generally be limited to establishment of new facilities for cannabis cultivation and minimized through identified mitigation measures and standards. Potential impacts would be less than significant.

For further information on CEQA or the County's environmental review process, please visit the County's web site at "www.sloplanning.org" under "Environmental Information", or the California Environmental Resources Evaluation System at: http://resources.ca.gov/ceqa/ for information about the California Environmental Quality Act.

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	**None**
☐	County Airport Manager	**Not Applicable**
☐	Airport Land Use Commission	**Not Applicable**
☐	Air Pollution Control District	**Not Applicable**
☒	County Sheriff's Department	**None**
☒	Regional Water Quality Control Board	**None**
☐	CA Coastal Commission	**Not Applicable**
☒	CA Department of Fish and Wildlife	**In file**
☒	CA Department of Forestry (Cal Fire)	**In file**
☐	CA Department of Transportation	**Not Applicable**
☐	Community Services District	**Not Applicable**
☒	Other San Miguel Advisory Group	**In file**
☒	Other Department of Building	**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
☒ Affordable Housing Fund
☐ Airport Land Use Plan
☐ Energy Wise Plan
☒ North County Area Plan/Adelaida Sub Area and Update EIR
☐ 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 for SLO County
☒ 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:

Althouse and Meade, Inc. 2018. Special Status Plant Species and American Badger Surveys – True Farma DRC2017-000106, Mitigation Measures 4 and 7.

California Department of Conservation. 2016. Farmland Mapping and Monitoring Program. <http://maps.conservation.ca.gov/dlrp/ciftimeseries/> Accessed on: October 12, 2018

California Department of Fish and Wildlife (CDFW) 2018a. Conditional Use Permit (DRC2017-000106 Mondo/True Farma) *Project Referral: Cannabis cultivation in an existing ag processing barn and a new subterranean facility*. April 13, 2018.

California Department of Fish and Wildlife (CDFW) 2018b. San Joaquin Kit Fox Mitigation. True Farma Conditional Use Permit (DRC2017-00106 Mondo/true Farma). July 3, 2018.

California Department of Forestry and Fire Protection (CAL FIRE) 2018. Referral Response for DRC2017-00106 (PMT2016-05574/PMTC2018-00058) – True Farma at 3260 Nacimiento Lake Drive near Paso Robles, CA. April 23, 2018.

California Department of Toxic Substance Control (DTSC). 2018. Envirostor. <https://www.envirostor.dtsc.ca.gov/public/> Accessed on: October 12, 2018.

California Environmental Protection Agency (CalEPA). 2018. Cortese List Data Resources. <https://calepa.ca.gov/sitecleanup/corteselist/> Accessed on: October 12, 2018.

California State Water Resources Control Board (SWRCB). 2018. GeoTracker. <https://geotracker.waterboards.ca.gov/> Accessed on: October 12, 2018.

Collings and Associates. 2017. Fire Protection Engineering Master Plan and Summary Report for True Farma Cultivation Project at 3260 Nacimiento Lake Drive, Paso Robles. December 19, 2017.

County of San Luis Obispo (County). 2018. Land Use View <https://gis.slocounty.ca.gov/sites/luview.htm> Accessed on: October 12, 2018.

County of San Luis Obispo (County). 2011. General Plan: Framework for Planning (Inland).

Heritage Discoveries, Inc. 2018. An Archaeological Surface Survey for the True Farma Project, 3260 Nacimiento Lake Drive, Paso Robles, San Luis Obispo County, California (Revised).

McGovern, Mike. 2017. San Joaquin Kit Fox Evaluation for Mondo – True Farma. December 21, 2017.

Natural Resource Conservation Service (NRCS). 2018. Web Soil Survey. <https://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx> Accessed on: August 31, 2018.

Operational Security Solutions. (OSS) 2017. Security Plan prepared for True Farma Facility. December 15, 2017.

Orosz Engineering Group, Inc. (OEG) 2018. True Farma, LLC – Cannabis Cultivation Trip Generation Report at 3260 Nacimiento Lake Drive, Paso Robles, County of San Luis Obispo – UPDATED – DRC2017-00106 CUP

Reiss Design Studio. 2018. Visual Resource Assessment for True Farma. August 6, 2018.

San Luis Obispo County Air Pollution District (APCD). 2012. CEQA Air Quality Handbook.

San Luis Obispo County Air Pollution District (APCD). 2017. Clarification Memorandum for the CEQA Air Quality Handbook.

Exhibit B - Mitigation Summary Table

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, are responsible to verify compliance with these COAs.

AESTHETICS

AES-1 Limit project visibility. At time of application for construction permits, the final building plans as approved by the Planning and Building Department, shall demonstrate that the proposed structures located on the northwest facing hillslope near Premise 2B shall be designed to not exceed 15-feet in height and shall be sited in a manner that is the least visible from San Marcos Road or Nacimiento Lake Drive. **Prior to occupancy or final inspection,** the structures, water tanks, and fencing shall be painted with dark, earth tones in a color with a Munsell value of 5 or less, consistent with the existing landscape and/or other buildings with similar uses in the immediate surroundings.

Prior to occupancy or final inspection, low-water usage screening plants shall be installed around the structures, water tanks, and fencing on the northwest slope near Premise 2B to reduce the visibility of the proposed structures from San Marcos Road. Screening plants shall be maintained in perpetuity for the life of the structures. A landscaping plan shall be submitted **at time of application for construction permits** for review and approval by the Department.

AES-2 Nighttime lighting. All facilities employing artificial lighting techniques shall include methods to prevent light leakage including shielding and blackout tarps. Lighting used for security shall conform to LUO Section 22.10.060 - Exterior Lighting and be located and designed to direct light downward and to the interior of the site and avoid the light source from being visible offsite. **Prior to issuance of construction permits**, the applicant shall submit a light pollution prevention plan to the Department for approval.

AIR QUALITY

AQ-1 **Standard mitigation measures for construction equipment**. The standard mitigation measures for reducing oxides of nitrogen, reactive organic gases, and diesel particulate matter emissions from construction equipment are listed below **and shall be printed on construction plans prior to issuance of a construction permit, and shall be adhered to during project construction**:

- Maintain all construction equipment in proper tune according to manufacturer's specifications;
- Fuel all off-road and portable diesel-powered equipment with California Air Resources Board-certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
- Use diesel construction equipment meeting the California Air Resources Board's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation;
- Use on-road heavy-duty trucks that meet the California Air Resources Board's 2007 or cleaner certification standard for on-road heavy-duty diesel engines, and comply with the State On-Road Regulation;
- Construction or trucking companies with fleets that that do not have engines in their fleet that meet the engine standards identified in the above two measures (e.g., captive or oxides of nitrogen exempt area fleets) may be eligible by proving

alternative compliance;

- All on- and off-road diesel equipment shall not idle for more than 5 minutes. Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5-minute idling limit;
- Diesel idling shall be avoided to the greatest extent feasible throughout the duration of construction activities. No idling in excess of 5 minutes shall be permitted as described above;
- Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors whenever possible;
- Electrify equipment when feasible;
- Substitute gasoline-powered in place of diesel-powered equipment, where feasible; and,
- Use alternatively fueled construction equipment on-site where feasible, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane, or biodiesel.

AQ-2 **Fugitive dust mitigation measures.** Projects with grading areas that are greater than 4 acres or are within 1,000 feet of any sensitive receptor shall implement the following mitigation measures to minimize nuisance impacts and to significantly reduce fugitive dust emissions. **These measures shall be printed on construction plans prior to issuance of a construction permit, and shall be adhered to during project construction**.

a. Reduce the amount of the disturbed area where possible;
b. Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the San Luis Obispo County Air Pollution Control District's limit of 20% opacity for greater than 3 minutes in any 60-minute period. Increased watering frequency would be required whenever wind speeds exceed 15 miles per hour. Reclaimed (non-potable) water should be used whenever possible;
c. All dirt stock pile areas should be sprayed daily or covered with tarps or other dust barriers, as needed;
d. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil-disturbing activities;
e. Exposed ground areas that are planned to be reworked at dates greater than 1 month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established;
f. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the San Luis Obispo County Air Pollution Control District;
g. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
h. Vehicle speed for all construction vehicles shall not exceed 15 miles per hour on any unpaved surface at the construction site;
i. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least 2 feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with California Vehicle Code Section 23114;
j. Install wheel washers or other devices to control tracking of mud and dirt onto adjacent roadways where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site;
k. Sweep streets at the end of each day if visible soil material is carried onto

adjacent paved roads. Water sweepers with reclaimed water should be used where feasible. Roads shall be pre-wetted prior to sweeping when feasible;

The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below the San Luis Obispo County Air Pollution Control District's limit of 20% opacity for greater than 3 minutes in any 60-minute period, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the San Luis Obispo County Air Pollution Control District Engineering & Compliance Division prior to the start of any grading, earthwork, or demolition.

BIOLOGICAL RESOURCES

BIO-1 Qualified Biologist. Prior to issuance of construction permits or any ground-disturbing activities, the applicant shall provide evidence to the County that they have retained a County-approved qualified biologist. The scope of work shall include pre-construction surveys, training, monitoring, and reporting, as follows:

BIO-2 Special-status plant avoidance. Prior to and during all ground disturbing activities, the County-approved biologist shall review mapped occurrences from the 2018 the Special Status Plant Species Surveys prepared by Althouse and Meade, Inc. and conduct surveys for special status species including Salinas milk vetch. Special-status plant species shall be avoided whenever possible by delineation and observation by a qualified biologist of a no-disturbance buffer of at least 50 feet from the outer edge of the plant population(s) or specific habitat type(s) required by special-status plant species. If buffers cannot be maintained, then consultation with CDFW is required to determine appropriate minimization measures for impacts to special-status plant species. Copies of the surveys shall be provided to the County and CDFW, as applicable, within 30 days of the survey.

BIO-3 Salinas milk vetch seed collection and relocation. Prior to ground disturbing activities, fruits and/or seeds of the Salinas milk vetch shall be collected and relocated to suitable habitat outside of the project footprint by the County-approved biologist. Up to 100% of available seed can be collected from plants that occur within the project footprint.

Ten percent (10%) of collected Salinas milk vetch seed shall be donated to a local conservation seed bank to provide additional conservation for this special-status plant species. Appropriate conservation seed banks include the Santa Barbara Botanic Garden and Rancho Santa Ana Botanic Garden.

A report regarding seed collection, relocation, and donation shall be provided to the County within 30 days of completion.

BIO-4 Salinas milk vetch plant and seed bank (top three inches of soil surrounding the plant) shall be salvaged and relocated. A County-approved biologist shall use hand tools to collect intact plants (shoots, roots and soil) and adjacent top soil and relocate the plants and soil to suitable habitat, outside of the project footprint. Common plant techniques (e.g. watering, pruning, etc.) shall be employed to encourage establishment of the salvaged plants. Plants should be flagged during the summer/fall to ensure dormant plants can be salvaged and relocated during winter. A report regarding plant collection and relocation shall be provided to the County within 30 days of completion.

BIO-5 San Joaquin kit fox habitat. In accordance with the County Guide to SJKF Mitigation Procedures under CEQA, **prior to issuance of grading and/or construction permits, or any ground-disturbing activities,** the applicant shall provide evidence to the County Department of Planning and Building that states one or a combination of the following three SJKF mitigation measures have been implemented:

1. Provide for the protection in perpetuity, through acquisition of fee or a conservation easement, of 33.6 acres of suitable habitat in the kit fox corridor area (e.g., within the San Luis Obispo kit fox habitat area northwest of Highway 58), either on-site or off-site, and provide for a nonwasting endowment to provide for management and monitoring of the property in perpetuity. Lands conserved shall be subject to the review and approval of the CDFW and the County.

2. Deposit funds into an approved in-lie fee program, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area located primarily within San Luis Obispo County and provide for a non-wasting endowment for management and monitoring of the property in perpetuity. Funds would be provided to The Nature Conservancy pursuant to the Voluntary Fee-Based Compensatory Mitigation Program (Program). Total fees determined by the CDFW calculated based on the current cost-per-unit is $2,500 per acre of mitigation for a total of $84,000.

3. Purchase 33.6 credits in an approved conservation bank, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management and monitoring of the property in perpetuity. Credits can be purchased through the CDFW approved conservation bank, the Palo Prieto Conservation Bank.

BIO-6 San Joaquin kit fox surveys. Within 14 and 30 days prior to the onset of grading or construction activities, the County-approved biologist shall conduct presence/absence surveys of San Joaquin Kit Fox and/or their dens within 200 feet of the project site following the US Fish and Wildlife Service's standardized recommendations for protection of the San Joaquin kit fox prior to or during ground disturbance (USFWS 2011). Surveys should be conducted in areas of potentially suitable habitat no less than 14 days and no more than 30 days prior the beginning of ground disturbing activities. **A copy of the surveys shall be provided to CDFW and the County within 30 days of completion of the surveys.**

BIO-7 San Joaquin kit fox Avoidance. **Prior to or during project activities**, if dens are found, no-disturbance buffers shall be established by the County-approved biologist in accordance with USFWS 2011 recommendations. If kit fox is found occupying atypical (i.e. manmade structure) den sites, a 50-foot no disturbance buffer should be established around the occupied den site. If potential dens are found during surveys, a 50-foot no-disturbance buffer should be established. If dens that are occupied or have been known to be occupied in the past, or a natal or pupping den is found during the survey, consultation with CDFW should occur and a 100-foot no-disturbance buffer shall be established.

BIO-8 San Joaquin kit fox Take Authorization. If kit fox is detected during the survey, consultation with CDFW shall occur to discuss how to implement the project and avoid take, or if avoidance is not feasible, an Incidental Take Permit shall be acquired pursuant to Fish and Game Code Section 2081(b).

BIO-9 Construction hours. During the site disturbance and/or construction phase, grading and construction activities after dusk shall be prohibited unless coordinated through the County.

BIO-10 Worker awareness training. Prior to issuance of grading and/or construction permit and within 30 days prior to initiation of site disturbance and/or construction, all personnel associated with the project shall attend a worker education training program, conducted by the County-approved biologist, to avoid or reduce impacts on sensitive biological resources (i.e. San Joaquin kit fox). At a minimum, as the program relates to the kit fox, the training shall include the kit fox's life history, all mitigation measures specified by the county, as well as any related biological report(s) prepared for the project. The applicant shall notify the County shortly prior to this meeting. A kit fox fact sheet shall also be developed prior to the training program, and

distributed at the training program to all contractors, employers and other personnel involved with the construction of the project.

PUBLIC SERVICES

PS-1 **Fair share contribution. Within 30 days of land use permit approval,** the applicant shall pay to the Department of Public Works a fair share contribution towards roadway safety enhancements identified in the Nacimiento Lake Drive Corridor Study**.**

PS-2 **Road improvement plan. Prior to issuance of construction permits or business license,** a road improvement plan prepared by a project traffic engineer shall be submitted and approved by the Department of Public Works.

TRANSPORTATION/CIRCULATION

T-1 **Driveway improvements. At the time of application for construction permits,** the applicant shall submit plans prepared by a Registered Civil Engineer to the Department of Public Works to secure an encroachment permit and post a cash damage bond to install improvements within the public right-of-way in accordance with County Public Improvement Standards. All work in the public right-of-way must be constructed or reconstructed to the satisfaction of the County Public Works Inspector and in accordance with County Public Improvement Standards; the project conditions of approval, including any related land use permit conditions; and the approved improvement plans. The plan shall include, as applicable:

- **a.** Reconstruct the existing site access driveway approach in accordance with County Public Improvement Standard B-1e drawing for high speed and/or high-volume rural roadways.
- **b.** Relocate the existing project access driveway gate a minimum of 75-feet from the nearest edge of traveled way of Nacimiento Lake Drive (applicable to County collector and arterial roads). The existing gate is approximately 35-feet from the Nacimiento Lake Drive edge of traveled way.
- **c.** Drainage ditches, culverts, and other structures (if drainage calculations require).
- **d.** Removal of all existing non-permitted obstructions from within the public right-of-way of the project frontage including, but not limited to the existing “Mondo Cellars” advertising sign.

DATE: 3/5/2019
REVISED: 3/15/2019

DEVELOPER'S STATEMENT & MITIGATION MONITORING/REPORTING PROGRAM FOR MONDO - TRUE FARMA ED19-058 (DRC2017-00106)

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 would reduce potentially significant impacts to less than significant levels. These measures would become conditions of approval (COAs) should the project be approved. The Lead Agency (County) or other Responsible Agencies, as specified in the following measures, are responsible to verify compliance with these COAs.

AESTHETICS

AES-1 ——**Limit project visibility. At time of application for construction permits,** the final building plans as approved by the Planning and Building Department, shall demonstrate that the proposed structures located on the northwest facing hillslope near Premise 2B shall be designed to not exceed 15-feet in height and shall be sited in a manner that is the least visible from San Marcos Road or Nacimiento Lake Drive. **Prior to occupancy or final inspection,** the structures, water tanks, and fencing shall be painted with dark, earth tones in a color with a Munsell value of 5 or less, consistent with the existing landscape and/or other buildings with similar uses in the immediate surroundings.

Prior to occupancy or final inspection, low-water usage screening plants shall be installed around the structures, water tanks, and fencing on the northwest slope near Premise 2B to reduce the visibility of the proposed structures from San Marcos Road. Screening plants shall be maintained in perpetuity for the life of the structures. A landscaping plan shall be submitted **at time of application for construction permits** for review and approval by the Department.

AES-2 ——**Nighttime lighting.** All facilities employing artificial lighting techniques shall include methods to prevent light leakage including shielding and blackout tarps. Lighting used for security shall conform to LUO Section 22.10.060 - Exterior Lighting and be located and designed to direct light downward and to the interior of the site and avoid the light source from being visible offsite. **Prior to issuance of construction permits**, the applicant shall submit a light pollution prevention plan to the Department for approval.

AIR QUALITY

AQ-1 ——— **Standard mitigation measures for construction equipment.** The standard mitigation measures for reducing oxides of nitrogen, reactive organic gases, and diesel particulate matter emissions from construction equipment are listed below **and shall be printed on construction plans prior to issuance of a construction permit, and shall be adhered to during project construction**:

- Maintain all construction equipment in proper tune according to manufacturer's specifications;
- Fuel all off-road and portable diesel-powered equipment with California Air Resources Board-certified motor vehicle diesel fuel (non-taxed version suitable for use off-road);
- Use diesel construction equipment meeting the California Air Resources Board's Tier 2 certified engines or cleaner off-road heavy-duty diesel engines, and comply with the State Off-Road Regulation;
- Use on-road heavy-duty trucks that meet the California Air Resources Board's 2007 or cleaner certification standard for on-road heavy-duty diesel engines, and comply with the State On-Road Regulation;
- Construction or trucking companies with fleets that that do not have engines in their fleet that meet the engine standards identified in the above two measures (e.g., captive or oxides of nitrogen exempt area fleets) may be eligible by proving alternative compliance;
- All on- and off-road diesel equipment shall not idle for more than 5 minutes. Signs shall be posted in the designated queuing areas and or job sites to remind drivers and operators of the 5-minute idling limit;
- Diesel idling shall be avoided to the greatest extent feasible throughout the duration of construction activities. No idling in excess of 5 minutes shall be permitted as described above;
- Staging and queuing areas shall not be located within 1,000 feet of sensitive receptors whenever possible;
- Electrify equipment when feasible;
- Substitute gasoline-powered in place of diesel-powered equipment, where feasible; and,
- Use alternatively fueled construction equipment on-site where feasible, such as compressed natural gas (CNG), liquefied natural gas (LNG), propane, or biodiesel.

AQ-2 ——— **Fugitive dust mitigation measures.** Projects with grading areas that are greater than 4 acres or are within 1,000 feet of any sensitive receptor shall implement the following mitigation measures to minimize nuisance impacts and to significantly reduce fugitive dust emissions. **These measures shall be printed on construction plans prior to issuance of a construction permit, and shall be adhered to during project construction.**

a. Reduce the amount of the disturbed area where possible;
b. Use of water trucks or sprinkler systems in sufficient quantities to prevent airborne dust from leaving the site and from exceeding the San Luis Obispo County Air Pollution Control District's limit of 20% opacity for greater than 3 minutes in any 60-minute period. Increased watering frequency would be required whenever wind speeds exceed 15 miles per hour. Reclaimed (non-potable) water should be used whenever possible;
c. All dirt stock pile areas should be sprayed daily or covered with tarps or other dust barriers, as needed;

d. Permanent dust control measures identified in the approved project revegetation and landscape plans should be implemented as soon as possible following completion of any soil-disturbing activities;
e. Exposed ground areas that are planned to be reworked at dates greater than 1 month after initial grading should be sown with a fast germinating, non-invasive grass seed and watered until vegetation is established;
f. All disturbed soil areas not subject to revegetation should be stabilized using approved chemical soil binders, jute netting, or other methods approved in advance by the San Luis Obispo County Air Pollution Control District;
g. All roadways, driveways, sidewalks, etc. to be paved should be completed as soon as possible. In addition, building pads should be laid as soon as possible after grading unless seeding or soil binders are used;
h. Vehicle speed for all construction vehicles shall not exceed 15 miles per hour on any unpaved surface at the construction site;
i. All trucks hauling dirt, sand, soil, or other loose materials are to be covered or should maintain at least 2 feet of freeboard (minimum vertical distance between top of load and top of trailer) in accordance with California Vehicle Code Section 23114;
j. Install wheel washers or other devices to control tracking of mud and dirt onto adjacent roadways where vehicles enter and exit unpaved roads onto streets, or wash off trucks and equipment leaving the site;
k. Sweep streets at the end of each day if visible soil material is carried onto adjacent paved roads. Water sweepers with reclaimed water should be used where feasible. Roads shall be pre-wetted prior to sweeping when feasible;

The contractor or builder shall designate a person or persons to monitor the fugitive dust emissions and enhance the implementation of the measures as necessary to minimize dust complaints, reduce visible emissions below the San Luis Obispo County Air Pollution Control District's limit of 20% opacity for greater than 3 minutes in any 60-minute period, and to prevent transport of dust offsite. Their duties shall include holidays and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the San Luis Obispo County Air Pollution Control District Engineering & Compliance Division prior to the start of any grading, earthwork, or demolition.

BIOLOGICAL RESOURCES

BIO-1 ——— Qualified Biologist. Prior to issuance of construction permits or any ground-disturbing activities, the applicant shall provide evidence to the County that they have retained a County-approved qualified biologist. The scope of work shall include pre-construction surveys, training, monitoring, and reporting, as follows:

BIO-2 ——— Special-status plant avoidance. Prior to and during all ground disturbing activities, the County-approved biologist shall review mapped occurrences from the 2018 the Special Status Plant Species Surveys prepared by Althouse and Meade, Inc. and conduct surveys for special status species including Salinas milk vetch. Special-status plant species shall be avoided whenever possible by delineation and observation by a

qualified biologist of a no-disturbance buffer of at least 50 feet from the outer edge of the plant population(s) or specific habitat type(s) required by special-status plant species. If buffers cannot be maintained, then consultation with CDFW is required to determine appropriate minimization measures for impacts to special-status plant species. Copies of the surveys shall be provided to the County and CDFW, as applicable, within 30 days of the survey.

BIO-3 **Salinas milk vetch seed collection and relocation. Prior to ground disturbing activities,** fruits and/or seeds of the Salinas milk vetch shall be collected and relocated to suitable habitat outside of the project footprint by the County-approved biologist. Up to 100% of available seed can be collected from plants that occur within the project footprint.

Ten percent (10%) of collected Salinas milk vetch seed shall be donated to a local conservation seed bank to provide additional conservation for this special-status plant species. Appropriate conservation seed banks include the Santa Barbara Botanic Garden and Rancho Santa Ana Botanic Garden.

A report regarding seed collection, relocation, and donation shall be provided to the County within 30 days of completion.

BIO-4 **Salinas milk vetch plant and seed bank (top three inches of soil surrounding the plant) shall be salvaged and relocated.** A County-approved biologist shall use hand tools to collect intact plants (shoots, roots and soil) and adjacent top soil and relocate the plants and soil to suitable habitat, outside of the project footprint. Common plant techniques (e.g. watering, pruning, etc.) shall be employed to encourage establishment of the salvaged plants. Plants should be flagged during the summer/fall to ensure dormant plants can be salvaged and relocated during winter. A report regarding plant collection and relocation shall be provided to the County within 30 days of completion.

BIO-5 **San Joaquin kit fox habitat.** Prior to issuance of "Notice to Proceed" for each individual Premise (Premise 1-4), the applicant shall submit evidence to the County of San Luis Obispo and CDFW that verifies compensation on a 3:1 basis for impacts/loss of San Joaquin kit fox (SJKF) habitat. Impacts are calculated as follows:

Phase	Impact area:	Compensatory area:
Premise 1	0.50 acre	1.50 acres
Premise 2	8.45 acres	25.35 acres
Premise 3	0.65 acre	1.95 acres
Premise 4	1.60 acres	4.80 acres
Total	**11.20 acres**	**33.60 acres**

BIO-56 San Joaquin kit fox **- Permanent Protection Area.** Based on the

Compensatory Impact Calculation (See BIO-5), the applicant shall submit evidence to the County Department of Planning and Building (County) that satisfactorily demonstrates one or a combination of the following San Joaquin kit fox mitigation measure options has been implemented to offset the project's calculated compensatory impacts~~habitat. In accordance with the County Guide to SJKF Mitigation Procedures under CEQA, **prior to issuance of grading and/or construction permits, or any ground-disturbing activities,** the applicant shall provide evidence to the County Department of Planning and Building that states one or a combination of the following three SJKF mitigation measures have been implemented:~~

a. Habitat Set Aside: Provide for the protection in perpetuity, through acquisition of fee or a conservation easement, of 33.6 acres of suitable habitat in the kit fox corridor area (e.g., within the San Luis Obispo kit fox habitat area northwest of Highway 58), either on-site or off-site, and provide for a nonwasting endowment to provide for management and monitoring of the property in perpetuity. Lands conserved shall be subject to the review and approval of the CDFW and the County.

b. In-Lieu Fee: Deposit funds into an approved in-lie fee program, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area located primarily within San Luis Obispo County and provide for a non-wasting endowment for management and monitoring of the property in perpetuity. Funds would be provided to The Nature Conservancy pursuant to the Voluntary Fee-Based Compensatory Mitigation Program (Program). The Program was established in agreement between CDFW and TNC to preserve SJKF habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the CEQA. Total fees determined by the CDFW calculated based on the current cost-per-unit is $2,500 per acre of mitigation for a total of $84,000. This fee must be paid after CDFW provides written notification about mitigation options but prior to County permit issuance and initiation of any ground disturbing activities.

c. Conservation Bank Credit: Purchase 33.6 credits in a~~n~~ CDFW approved conservation bank, which would provide for the protection in perpetuity of suitable habitat in the kit fox corridor area and provide for a non-wasting endowment for management and monitoring of the property in perpetuity. Credits can be purchased through the CDFW approved conservation bank, the Palo Prieto Conservation Bank. The Palo Prieto Conservation Bank was established to preserve SJKF habitat, and to provide a voluntary mitigation alternative to project proponents who must mitigate the impacts of projects in accordance with the CEQA. This fee is calculated based on the current cost-per-credit of $2,500 per acre of mitigation. The fee is established by the conservation bank owner and may change at any time. The actual cost may increase depending on the timing of payment. Purchase of credits must be completed prior to County permit issuance and initiation of any ground disturbing activities.

BIO-7 **San Joaquin kit fox Pre-Construction Monitoring Activities.** In accordance with BIO-1, the retained biologist shall perform the following monitoring activities:

a. Prior to issuance of grading and/or construction permits and within 30 days prior to initiation of site disturbance and/or construction, the biologist shall conduct a pre-activity (i.e. preconstruction) transect survey of the work area and 250-foot buffer for known or potential kit fox dens and submit a letter to the County reporting the date the survey was conducted, the survey protocol, survey results, and what measures were necessary (and completed), as applicable, to address any kit fox activity within 250 feet of the work area.

a. The qualified biologist shall conduct weekly site visits during site-disturbance activities (i.e. grading, disking, excavation, stock piling of dirt or gravel, etc.) that proceed longer than 14 days, for the purpose of monitoring compliance with required Mitigation Measures BIO-8 through BIO-15. Site disturbance activities lasting up to 14 days do not require weekly monitoring by the biologist unless observations of kit fox or their dens are made on-site or the qualified biologist recommends monitoring for some other reason (see Mitigation Measure BIO-7c). When weekly monitoring is required, the biologist shall submit weekly monitoring reports to the County.

b. Prior to or during project activities, if any observations are made of San Joaquin Kit fox, or any known or potential San Joaquin kit fox dens are discovered within the project limits, the qualified biologist shall re-assess the probability of incidental take (e.g. harm or death) to kit fox. At the time a den is discovered, the qualified biologist shall contact USFWS and the CDFW for guidance on possible additional kit fox protection measures to implement and whether or not a Federal and/or State incidental take permit is needed. If a potential den is encountered during construction, work shall stop until such time the USFWS and CDFW determines it is appropriate to resume work. If incidental take of kit fox during project activities is possible, before project activities commence, the applicant must consult with the USFWS and CDFW. The results of this consultation may require the applicant to obtain a Federal and/or State permit for incidental take during project activities. The applicant shall be aware that the presence of kit foxes or known or potential kit fox dens at the project site could result in further delays of project activities.

c. In addition, the qualified biologist shall implement the following measures:

    i. Within 30 days prior to initiation of site disturbance and/or construction, fenced exclusion zones shall be established around all known and potential kit fox dens. Dens will be avoided by the following distances: potential or atypical den-50 feet; known den-100 feet; pupping den-250 feet. Exclusion zone fencing shall consist of either large flagged stakes connected by rope or cord, or survey laths or wooden stakes prominently flagged with survey ribbon. Each exclusion zone shall be roughly circular in configuration with a radius of distance measured outward from the den or burrow entrances, dependent on the use and activity of the den (i.e. potential, known, active, or natal den), to be determined by the kit fox biologist.

    ii. All foot and vehicle traffic, as well as all construction activities, including storage of supplies and equipment, shall remain outside of exclusion zones. Exclusion zones shall be maintained until all project-related disturbances have been terminated, and then shall be removed.

iii. If kit foxes or known or potential kit fox dens are found on site, daily monitoring by a qualified biologist shall be required during ground disturbing activities.

BIO-8 **Kit Fox Speed Limit Signage.** Prior to issuance of grading and/or construction permits, the applicant shall clearly delineate the following as a note on the project plans: "Speed signs of 25 mph (or lower) shall be posted for all construction traffic to minimize the probability of road mortality of the San Joaquin kit fox". Speed limit signs shall be installed on the project site within 30 days prior to initiation of site disturbance and/or construction.

BIO-9 **Kit Fox Night Construction Limitation.** During the site disturbance and/or construction phase, grading and construction activities after dusk shall be prohibited unless coordinated through the County, during which additional kit fox mitigation measures may be required.

BIO-10 **Kit Fox Worker Education Training program.** Prior to issuance of grading and/or construction permit and within 30 days prior to initiation of site disturbance and/or construction, all personnel associated with the project shall attend a worker education training program, conducted by a qualified biologist, to avoid or reduce impacts on sensitive biological resources (i.e. San Joaquin kit fox). At a minimum, as the program relates to the kit fox, the training shall include the kit fox's life history, all mitigation measures specified by the County, as well as any related biological report(s) prepared for the project. The applicant shall notify the County shortly prior to this meeting. A kit fox fact sheet shall also be developed prior to the training program, and distributed at the training program to all contractors, employers and other personnel involved with the construction of the project.

BIO-11 **Kit Fox Entrapment Avoidance.** During the site-disturbance and/or construction phase, to prevent entrapment of the San Joaquin kit fox, all excavations, steep-walled holes and trenches in excess of two feet in depth shall be covered at the close of each working day by plywood or similar materials, or provided with one or more escape ramps constructed of earth fill or wooden planks. Trenches shall also be inspected for entrapped kit fox each morning prior to onset of field activities and immediately prior to covering with plywood at the end of each working day. Before such holes or trenches are filled, they shall be thoroughly inspected for entrapped kit fox. Any kit fox so discovered shall be allowed to escape before field activities resume, or removed from the trench or hole by a qualified biologist and allowed to escape unimpeded.

In addition, during the site-disturbance and/or construction phase, any pipes, culverts, or similar structures with a diameter of four inches or greater, stored overnight at the project site shall be thoroughly inspected for trapped San Joaquin kit foxes before the subject pipe is subsequently buried, capped, or otherwise used or moved in any way. If during the construction phase a kit fox is discovered inside a pipe, that section of pipe will not be moved. If necessary, the pipe may be moved only once to remove it from the path of activity, until the kit fox has escaped.

BIO-12 **Kit Fox Trash Removal Procedures.** During the site-disturbance and/or construction phase, all food-related trash items such as wrappers, cans, bottles, and food scraps shall be disposed of only in closed containers. These containers shall be regularly removed from the site. Food items may attract San Joaquin kit foxes onto the project site, consequently exposing such animals to increased risk of injury or mortality. No deliberate feeding of wildlife shall be allowed.

BIO-13 **Pesticide and Herbicide Minimization Procedures.** Prior to, during and after the site-disturbance and/or construction phase, use of pesticides or herbicides shall be in compliance with all local, State and Federal regulations. This is necessary to minimize the probability of primary or secondary poisoning of endangered species utilizing adjacent habitats, and the depletion of prey upon which San Joaquin kit foxes depend.

BIO-14 **Kit Fox Mortality Procedures.** During the site-disturbance and/or construction phase, any contractor or employee that inadvertently kills or injures a San Joaquin kit fox or who finds any such animal either dead, injured, or entrapped shall be required to report the incident immediately to the County. In the event that any observations are made of injured or dead kit fox, the applicant shall immediately notify the USFWS and CDFW by telephone. In addition, formal notification shall be provided in writing within three working days of the finding of any such animal(s). Notification shall include the date, time, location and circumstances of the incident. Any threatened or endangered species found dead or injured shall be turned over immediately to the USFWS and CDFW for care, analysis, or disposition.

BIO-15 **Kit Fox Fencing Requirements.** Prior to final inspection, or occupancy, whichever comes first, should any long internal or perimeter fencing be proposed or installed, the applicant shall do the following to provide for kit fox passage:

a. If a wire strand/pole design is used, the lowest strand shall be no closer to the ground than 12 inches.

b. If a more solid wire mesh fence is used, 8" x 12" openings near the ground shall be provided every 100 yards

c. Upon fence installation, the applicant shall notify the County to verify proper installation. Any fencing constructed after issuance of a final permit shall follow the above guidelines.

Signature of Owner(s)	Name (Print)	Date
[signature]	DOUG MONDO	3/18/19
[signature]	MITCH MONDO	3/18/19

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D g h do	Doug Mondo	3/15/19
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