AGRICULTURE INDUSTRY RECRADOL

COUNTY OF SONOMA

575 ADMINISTRATION DRIVE, ROOM 102A SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 1/26/2021

To: Board of Supervisors

Department or Agency Name(s): Permit Sonoma

Staff Name and Phone Number: Brian Oh (707) 565-1931

Vote Requirement: Majority Supervisorial District(s): First

Title:

1:30 PM - UPC19-0002 CSCF LLC Cannabis Mixed-Light, Indoor, and Outdoor Cultivation and WWCMC, Inc. Centralized Cannabis Processing at 101 Trinity Road, Glen Ellen

Recommended Actions:

Adopt a Resolution adopting a Mitigated Negative Declaration of Environmental Impact and approving a conditional use permit for separate commercial cannabis operations located at 101 Trinity Road, Glen Ellen, and consisting of (1) 20,000 square feet of centralized processing and (2) 28,560 square feet of outdoor cannabis cultivation, 5,000 square feet of indoor cannabis wholesale nursery, 10,000 square feet of mixed-light cannabis cultivation, 10,890 square feet of cannabis propagation, and distribution-transportation only. (First District)

Executive Summary:

The project proposes a commercial cannabis operation consisting of two separate operations, operated by two separate entities who are applying jointly for one permit under which they will operate (the applicants) at 101 Trinity Road in Glen Ellen (APN 053-100-017) on 27.67 acres owned by Gordenker Turkey Farm, Inc.:

- Cultivation Total: 43,560 Sq. Ft. operated by CSCF, LLC;
 - o☐ Specialty Indoor Wholesale Nursery: 5,000 sq. ft.;
 - o□ Small Mixed Light Cultivation: 10,000 sq. ft.;
 - o□ Medium Outdoor: 28,560 sq. ft.; and
 - o☐ Propagation: 10,890 sq. ft. of non-flowering propagation (25% of total cultivation).
- Centralized Cannabis Processing: 20,000 Sq. Ft. operated by WWCMC, Inc.

The joint commercial cannabis operations would occur on lands zoned Land Intensive Agriculture (LIA), maximum 100-acre density, Taylor/Sonoma/Mayacamas Mountains Combining District, Riparian Corridor (RC50/25) and Scenic Corridor and Community Separator Scenic Resources Combining District (SR) in Glen

Ellen. The Board of Supervisors assumed original jurisdiction over this project on December 17, 2019.

The proposed project is an allowed use in the Land Intensive Agriculture District. The proposed project is consistent with the General Plan, including policies to support ongoing agricultural activities, and complies with all development criteria of the Sonoma County Cannabis Ordinance. The project would be similar to uses that raise an agricultural product and would conserve the majority of the site for future agriculture use. Staff has determined that the design, location, size, and operating characteristics of the outdoor aspects of the proposed projectare compatible with the agricultural zoning and surrounding land uses because all cannabis-related operations will be screened (by the operator) from public view with existing mature vegetation and setback distances. If approved, the centralized cannabis processing facility will be the first of the nine centralized processing facilities permitted in agriculture zones according to Sonoma County Code Section 26-88-254(f)(5). Security measures designed and proposed by the applicants as part of the project to uphold the health, safety, peace, comfort, and general welfare of persons residing or working in the neighborhood of the use.

Discussion: BACKGROUND

Regulations

In October 2015, the Governor signed three bills into law collectively known as the Medical Cannabis Regulations and Safety Act establishing the State's first licensing system for commercial medical cannabis activity.

In November 2016, California voters approved Proposition 64, legalizing the adult use and possession of cannabis.

On December 20, 2016, the Sonoma County Board of Supervisors adopted the Cannabis Ordinance (No. 6189) to establish a comprehensive local program to permit and regulate medical cannabis to align with State Regulations. The ordinance preserved environmental resources, protected the health and safety of communities, and ensured the industry contributed positively to the economic vitality of the County. To incentivize unpermitted cannabis operators to comply with the adopted cannabis ordinance and permitting requirements the Sonoma County Board of Supervisors approved the Penalty Relief Program, which this proposed project participates in.

In June 2017, the Governor signed a bill creating a single regulatory scheme for both medical and adult use cannabis businesses.

On October 16, 2018, the Sonoma County Board of Supervisors adopted an amendment (No. 6245) to the Cannabis Ordinance, extending the maximum term of cannabis use permit from one year to five years, authorizing adult use in addition to medical with a use permit, increasing minimum parcel size to 10 acres in agricultural and resource zones, allowing non-flowering propagation up to 25% of the permitted cultivation area with a use permit, allowing up to nine centralized processing facilities in agricultural zones, and clarifying a number of additional items, such as setbacks and definitions.

On December 17, 2019, the Board approved the Cannabis Ad Hoc Committee's request for the Board of

Supervisors to exercise original jurisdiction over nineteen permit applications, including the proposed project.

Application Processing

On January 22, 2019, the applicant CSCF, LLC, represented by then applicant Ryan Hayes and GDCF, LLC, represented by applicant Joseph E. Pearson, submitted a Use Permit application for 43,560 square feet of mixed light and indoor cultivation, propagation and a centralized processing facility.

On February 25, 2019, MIG (county outside consultant) staff performed an initial site inspection.

On April 12, 2019, the applicant's representative submitted new ownership information indicating the rights to CSCF, LLC was sold to Timothy Crites. Mr. Crites remains the current applicant and operator of the jointly pursued use permit.

On April 26, 2019, Permit Sonoma deemed the application complete for processing.

On December 20, 2019, the applicant's representative submitted paperwork that transferred the proposed centralized processing facility from GDCF, LLC to WWCMC, Inc., represented by the same individual, Joseph E. Pearson. WWCMC, Inc. is the current applicant of the centralized processing facility and operator of the jointly pursued use permit with CSCF, LLC.

On December 11, 2020, Permit Sonoma sent notification of the then tentatively scheduled Board of Supervisors hearing date and availability of the Mitigated Negative Declaration to neighboring properties within 1,000 feet of the parcel boundaries, and to all members of the public who had previously requested notice as an "interested party."

On December 11, 2020, a draft Initial Study/Mitigated Negative Declaration was published for public review and submitted to the State Clearinghouse for State Agency review (SCH Number 2020120219). The public review period is 30 days from publication.

On January 14, 2021, Permit Sonoma sent notification of the January 26, 2021 hearing date to neighboring properties within 1,000 feet of the parcel boundaries, and to interested parties. Notification included information on how to connect to the meeting virtually.

Site Characteristics

The project site is a single 27.67-acre parcel presently described by APN 053-100-017. The parcel is located in a rural, agricultural area of Glen Ellen, between the Sonoma Mountains and the Mayacamas Mountains and approximately seven miles north of Sonoma and three miles south of Kenwood (Attachment 2 - Vicinity Map; Attachment 3 - Aerial Map). The project site can be accessed by a private drive from Trinity Road, which intersects with Highway 12. The site is bounded to the south by Trinity Road, to the west by Highway 12, to the north by Weise Road and to the east by a private access drive that would be used as the primary access to the site. Both entrances from Trinity Road and Weise Road are gated and not used by the general public. Along the northern boundary of the site is an unnamed ephemeral creek that flows west into Calabazas Creek.

The 27.67-acre subject parcel is owned by Gordenker Turkey Farm, Inc., who also owns three adjacent separate legal parcels presently described by APN 053-110-076 (25.16 acres), APN 053-100-016 (158.85 acres) and 053 -040-041 (213.20 acres), for a total acreage of 424.88 acres presently under comon ownership. The Gordenker

lands extend from Highway 12 north to the base of the Nuns Canyon. Historically, the entirety of the area operated as a single farming operation with services and infrastructure that supported agricultural uses spread across all three legal parcels. Agricultural uses ranged from raising turkeys, chickens and cattle, grape vineyards for wine, to quarry mining, which is in the process of being reclaimed. Cattle grazing and agricultural crop production operated by Bee Well Farms continues today. Additionally, the owner operates a Cabernet Sauvignon vineyard on APN 053-040-041. The past uses on the subject parcel (APN 053-100-017) included a turkey farm that is no longer in operation and a chicken farm.

The compact graveled, flat, existing private access drive is approximately 1,700 ft long and 14 ft wide with a 25 ft apron from Trinity Road to the south. As a vehicle travels towards Weise Road, the width increases to 25 ft again with a 30 ft apron, connecting the private access drive to Weise Road to the north.

Six water wells are located across the subject and adjacent legal parcels owned by Gordenker Turkey Farms, Inc. All three legal parcels can be accessed via Trinity Road, south of APN 053-100-017 and APN 053-110-076, and Weise Road, which splits APN 053-040-041 from the other two parcels. Both access points are taken off of Highway 12.

Full acre (43,560 sq. ft.) cannabis cultivations operations have been separate from today's action proposed on both adjacent legal parcels: APN 053-110-076 (pending application PLP17-0040) and APN 053-100-016 (pending application UPC17-0048). Both of these parcels' operations are authorized to cultivate under the Penalty Relief Program and have been since 2017.

Existing development on the subject parcel includes a residence, an accessory dwelling unit, a 20,000 square foot unfinished barn on concrete pad to be legalized with this use permit, and several agricultural structures. One well is located on the subject parcel and provides water to the existing single-family residence, accessory dwelling unit and existing agricultural operations. The applicants will not use this well for the proposed cannabis processing and cultivation operations. An existing 150,000-gallon water storage tank is located next to the existing unfinished barn. The water storage tank is fed from an existing well, located 1,000 feet from Calabazas Creek, on the adjacent parcel, APN 053-100-016.

Utilizing the existing infrastructure, this well will serve all three proposed cannabis operations and the existing private drive will serve as the primary access to all proposed operations. The Initial Study prepared for this project evaluated the cumulative impacts of the shared infrastructure and determined either no significant impacts or less than significant impact, or less than significant impact with incorporated mitigation measures.

The applicant/operation participates in the Sonoma County Cannabis Penalty Relief Program. Under that program CSCF, LLC has been able to cultivate up to 43,560 square feet of outdoor cannabis, without penalty, as long as the requirements of the program are met. A penalty relief authorization was also provided to WWMCM, Inc. for processing activities related to cannabis cultivation.

In addition to the developed and previously developed areas, the site is composed of a mix of grassland, woodland, and seasonal wetlands. There is also ruderal or disturbed habitat that remains after the 2017 Nuns Wildfire. The parcel is not under a Land Conservation Act Contract (Williamson Act). The parcel has an "Other Lands" farmland designation.

The project site drains in three different directions, which all lead towards Calabazas Creek, located approximately 2,400 feet to the west of the site. The northern part of the project site drains north toward a seasonal wetland swale that connects to Trinity Creek, a tributary of Calabazas Creek that runs along the

northern boundary line of the subject parcel. The southeastern area of the site flows south into a long and wide seasonal wetland swale that flows through a culvert under Trinity Road before connecting to Calabazas Creek to the west. The southwestern area of the site flows west into seasonal wetland swales or directly into a roadside drainage ditch along Highway 12.

Site elevations range from about 325 feet at the lowest point to approximately 360 feet above mean sea level at the highest point. The proposed project development area is generally flat due to ground preparation and grading for previous agricultural uses. Existing vegetation surrounds the perimeter of the parcel.

The subject parcel is located in a Groundwater Availability Class 3 - Marginal Groundwater Area and is not within a Critical Watershed Area or in a priority groundwater basin.

According to the Wildland Fire Hazard Area map in the Sonoma County General Plan, the subject parcel is located in the State Responsibility Area and is designated as a Moderate Fire Hazard Severity Zone. The site is designated as Tier 2 - Elevated on the California Public Utilities Commission Fire Threat Map. The nearest fire station to the site is Glen Ellen Fire Department (serviced by City of Sonoma) which is 3 minutes or 1.4 miles from the project site.

General Plan Land Use and Zoning

The General Plan Land Use Designation is Land Intensive Agriculture (LIA). The project site is identified as a Community Separator in the Sonoma County General Plan. Highway 12 is a Scenic Corridor adjacent to the western project boundary.

The preferred alignment for the planned Sonoma Valley Trail, a proposed 13-mile paved trail along the Highway 12 corridor between Santa Rosa and Sonoma, abuts the subject site and runs the entire length of the subject parcel. In 2016, the Board of Supervisors accepted the findings and recommendations from the Sonoma Valley Trail Feasibility Study which identified a preferred trail alignment for a Class I bike path segment along the Highway 12 corridor.

Trinity Creek along the northern boundary of the project site is a County-designated Riparian Corridor with a 50-foot Streamside Conservation Area setback and a 25-foot setback for agricultural uses. Regional access to the project site is provided by Highway 12, which borders the western property line. The Sonoma County Department of Transportation and Public Works online GIS identifies Trinity Road as a Minor Collector.

Zoning on the parcel is Land Intensive Agriculture (LIA) with a maximum 100-acre density (B6 100), and Taylor/Sonoma/Mayacamas Mountains (Local Guidelines Combining District), Riparian Corridor (RC50/25) and Scenic Corridor Community Separator and Scenic Corridor Combining District (SR) (Attachment 5 - Zoning Map).

Surrounding Land Use and Zoning

The surrounding area is largely rural and located within unincorporated Sonoma County. Surrounding parcels, east of Highway 12 are largely Land Intensive Agriculture, ranging from approximately 23 acres to 263 acres. West of Highway 12, parcels are mostly zoned Rural Residential, ranging from two acres to 28 acres. The nearest single-family residence is located approximately 600 feet to the west. The project site is located approximately 2,000 feet from the Dunbar Elementary to the northwest and approximately 4,600 feet from Sonoma Valley Regional Park to the south. Nearby commercial operations include Mayo Family Winery

(approximately 3,600 feet southwest), Valley View Wine Sales (1.2 miles east), and Atwood Ranch, an event center (1,500 feet north).

PROJECT DESCRIPTION

Project Description Summary

CSCF, LLC and WWCMC, Inc. request a 5-year limited-term Use Permit for two commercial cannabis operations: (1) for 20,000 square feet of centralized processing that will receive and process cannabis from multiple cultivators in the region; and (2) for 28,560 square feet of outdoor cultivation, 5,000 square feet of indoor wholesale nursery, 10,000 square feet of mixed-light cultivation, and 10,890 square feet of propagation. WWMCM, Inc. is requesting a distribution-transportation only permit, as part of this application to transport processed cannabis offsite to distributors.

The project proposes to use the existing 20,000 square feet existing barn as the centralized processing facility, two outdoor cannabis cultivation areas, an indoor wholesale nursery and mixed-light cultivation in a proposed greenhouse. The cannabis operating facilities would be located approximately 545 feet away from the western boundary, which abuts Highway 12, and approximately 810 feet from the southern property line that abut Trinity Road.

The proposed greenhouse is approximately 70,560-square-foot, located on previously developed areas of the subject site. There are sectioned rooms for the enclosed nurseries and propagation, two plenum rooms total approximately 5,980 sq. ft., a head house or workspace, approximately 5,880 sq. ft. where plant production and plant maintenance would occur, and utility rooms (Attachments 7 - Site Plans). The greenhouse will have 10 rooms, with a gross square footage of approximately 5,880 square feet (see Attachment 7) which includes the cannabis production space, aisles, and electrical and mechanical areas. The applicant is required to submit a canopy plan per Condition of Approval #25, which will be used by the Department of Agricultural during the annual inspection (implemented through Condition of Approval #6) and code compliance when there are reported violations to ensure cultivation area does not increase. The sidewall height would be approximately 16 feet (not including the roof ridge). The west side of the structure would have a solid wall, and the other three sides would use either glass or rigid plastic (e.g., clear hard poly). Interior rooms would be divided by glass or rigid plastic walls, with black out shades or a similar mechanism to isolate and control light completely for the indoor wholesale nursery. These black out shades would be used as needed for the mixed-light cultivation and propagation rooms.

The 28,560 square foot outdoor cultivation area is divided into two separate and distinct areas. An area of 12,840 square feet is located south of the proposed greenhouse, while the other area of 15,720 square feet is located east of the greenhouse, along the private access drive. Fencing would be constructed around the outdoor cultivation area for security measures, as shown on sheet C3.0 of Attachment 7.

The centralized processing building is approximately 20,000 square feet and would be legalized with the approval of this use permit (Attachment 7). Access via Trinity Road would be controlled by a gate with a keypad entry system. Fencing would be constructed around the outdoor cultivation areas (see below under Security for more details).

The project includes 24-hour operation in the greenhouse, in the processing facility and for outdoor

cultivation, every day as needed. Deliveries and shipping would be limited to 6:00 am to 8:00 pm. Any outdoor processing activities, such as drying, curing, grading, trimming, rolling, storing, packaging, and labeling of non-manufactured cannabis occurring outside of the processing facility will be limited to the hours of 8:00 am to 5:00 pm. The cannabis cultivation operation would have a maximum total of 17 employees onsite. There would be 12 employees for the cannabis cultivation operation and 5 employees for the centralized processing facility. The operation will not be open to the public.

The applicant proposes the continuation of the existing agricultural uses as the prominent use on the remainder of the site. This would include year-round poultry farming south of the proposed cultivation operation, with crops cultivation and cattle grazing on the approximately 26 remaining acres of the site. The poultry and row crops would be rotated in fields on the property and remain distinct from the cannabis use.

The applicant is proposing to install a centrally monitored burglar alarm system that uses a combination of lasers, motion sensors, and video surveillance and recording that would be monitored by a state-licensed security company to monitor the alarm and respond to emergencies as needed. Cameras would be installed in the buildings and throughout the property and the surveillance network would be enabled with remote viewing. Surveillance recordings would be stored for a minimum of 30 days. Additionally, the applicant proposes to provide security training as part of their onboarding process for new hires. All employees would be over 21 and have undergone a background check, prior to being hired. There would be no transactions performed on site.

All lighting would be downward casting and black out shades would be installed in the greenhouse to ensure minimal night sky pollution. There are no hazardous materials stored on site and all energy would be renewably sourced from Sonoma Clean Power.

As previously noted earlier, there are two other proposed cannabis operations adjacent to the subject site. One is located to the north (UPC17-0048) on the adjacent parcel (APN 053-100-016) and the other is located to the east (PLP17-0040) on the adjacent parcel (APN 053-110-076). The two cannabis operations seeking the present permit, and operators of PLP17-0040 would operate under separate business entities. Joseph E. Pearson, representing WWCMC, Inc. is also the CEO of PARC Holding Company, LLC, the operator for UPC17-0048. Per Sonoma County Code Section 26-88-254(e) the total cultivation area of the permit does not exceed one acre and is therefore, consistent with the code standard.

Due to the configuration of the site and past historical use of the site as a single operating farm under one property owner, the applicants propose utilizing the existing infrastructure and would share water as a common irrigation water source and vehicle access with the adjacent proposed projects and legal parcels to minimize the need for additional physical changes to the sites. The two operations proposed for this subject parcel and the adjacent operations would share the private access drive, with security code and locked gates, from Trinity Road as the primary entrance. The entrance from Weise Road would be gated with installed Knox box and used only by emergency response vehicles. The submitted Traffic Impact Study submitted by the Applicant, dated March 20, 2020 and an addendum to the Traffic Impact Study, dated September 18, 2020, the proposed cannabis operations would generate a total of 109 net new trips.

The applicants propose to use the existing well located on the parcel to the north of the subject site to fill the existing 150,000 gallon on-site storage tank for the proposed operations and supply water for the pending cannabis application (PLP17-0040) located on the adjacent parcel to the east. Each operator of all proposed

cannabis operations will be bounded through a service agreement with the property owner that so long as they are a tenant and operating subject to an approved use permit, they are entitled to draw the amount of water approved in their Use Permit. Maintenance costs of shared infrastructure would be shared among the applicants.

Emergency vehicles would access the subject site from either Trinity Road to the south or Weise Road to the north of the subject parcel through gated entrances with Knox Boxes. The nearest fire station is located less than 2 miles away and the existing water tank ensures that water is available onsite in the event on a wildfire.

Site Improvements:

All buildings that would be used for cannabis cultivation and processing would be fitted with activated carbon filters or an odor-neutralizing agent will be used in the greenhouse and processing building interiors or exhaust systems to filter odors. Exhaust air would be directed toward the interior of the parcel to reduce offsite odor effects.

The project proposes on-site parking between the greenhouse and the centralized processing facility for 24 vehicles. Because Sonoma County does not have parking requirements for cannabis operations, to calculate the parking rate for the proposed operation, the General Light Industrial parking rate determined by the Institute of Transportation Engineers was used to determine the number of parking spaces at a 1.39 spaces per employees. Wastewater would be collected in a new on-site septic tank before being conveyed off-site through a proposed pipeline to an existing, permitted leach field located on APN 053-100-016. An easement is proposed to allow its use to support the operation and for future uses. This new infrastructure would not be shared. There is an existing 150,000-gallon water storage tank that connects to a water pipeline, with an existing easement, which transports water to the site from an existing well located on APN 053-100-016. A new electrical transformer and an emergency backup generator is proposed. Electrical power would be supplied by Sonoma Clean Power. All cannabis waste generated on-site would be securely stored indoors before being rendered unusable and composted for reuse in the cultivation areas. Separate compost areas are proposed for each cannabis operation and located south of the water tank (4,000 square feet) and west of the proposed greenhouse (300 square feet). Cannabis green waste would be ground and mixed with soil and/or mulch to create a mixture that consists of at least 51 percent non-cannabis waste prior to composting.

The locations for the proposed outdoor cultivation and structures would be set back at least 350 feet from the public right-of-way in areas that have been previously developed. The project would require approximately 4,004 cubic yards (CY) of cut and 4,108 CY of fill, for a net fill of 104 CY. There are no trees proposed for removal.

Two fire turn outs are proposed along the first 800 feet of the private access drive and a third is proposed prior to the intersection with Weise Road. A 50 feet wide access and utility easement will cover the entirety of the drive. The cumulative impacts of the private access drive from the proposed cannabis operations and the proposed operations on the adjacent parcels have been analyzed in the Initial Study that concluded that all impacts were less than significant.

The County Fire Prevention Division reviewed the project description and plans on May 24, 2019 and an on-site road inspection was done on site on December 15, 2020. Additionally, staff worked with the applicant and applicants engineer to require a secondary emergency vehicle access road on Weise Road and turnout and

turnarounds on Trinity Road. This is required per Condition of Approval #85. Staff determined that the project would then comply with applicable state and local laws, Fire Safe Standards (Sonoma County Code Ch. 13) and the California Fire Code. Project plans would also require review by a Permit Sonoma Fire Inspector during the building permit process to ensure compliance with emergency access issues.

DISCUSSION OF ISSUES

Issue #1: General Plan Consistency

The Sonoma County 2020 General Plan classifies the project site as Land Intensive Agriculture (LIA). The purpose and definition of LIA designations are to "... enhance and protect lands capable of and generally used for animal husbandry and the production of food, fiber, and plant materials. The soil type and climate support relatively high production per acre of land. The objective in land intensive agricultural areas shall be to establish densities and parcel sizes that are conducive to continued agricultural production."

In adopting Ordinance No. 6189, the Board of Supervisors concluded that cannabis cultivation and processing may be consistent with the overall goals, objectives, policies, and programs of the Sonoma County General Plan, and that cultivation and processing activities are an allowed use in an agricultural land use designation.

Staff Analysis:

The project would be consistent with the overall goals, objectives, polices, and programs of the Sonoma County General Plan because:

- Existing agricultural uses, including the current chicken farm, would continue to operate;
- The project would continue cattle grazing and crop cultivation separate from the cannabis operation;
- Cultivation of cannabis would not detract from and is uniquely compatible with the current traditional agriculture uses on the site in its current state;
- The project would utilize existing structures, construct a new greenhouse and cultivate in areas that were previously developed and/or destroyed with the 2017 Nuns Fire;
- The character of the land would remain agricultural in that the overall level of structural development would be similar to the existing condition. The land would continue to function similar to agricultural land uses, containing a primary residence, a barn, greenhouses and water tanks;
- The project would be located outside the Riparian Corridor;
- The cultivation area would be located approximately 615 feet from the public right-of-way, and screened with existing vegetation;
- The outdoor cultivation areas and structures are located internal to the site and the addition of landscaping (Attachment 8) as proposed would further screen the site from the public right-of-way would not deter from the rural scenic resources; and

 The proposed operation is located a short distance from a fire department and the proposed improvements to the private access road and second emergency access from Weise Road provides adequate fire and emergency vehicle access routes.

Issue #2: Zoning Consistency

Commercial cannabis cultivation is an allowed use with a use permit in the Land Intensive Agriculture zoning district pursuant to compliance with development standards from Sonoma County Code Sections 26-88-250 through 26-88-254, including but not limited to:

- a) The minimum parcel size cannot be less than 10 acres (except by pipeline provision);
- b) The combined total of all cannabis cultivation areas cannot exceed 43,560 square feet (one acre) per parcel;
 - i. Outdoor cultivation cannot exceed 43,560 square feet (Medium Outdoor);
 - ii. Indoor cultivation cannot exceed 5,000 square feet (Specialty Indoor);
 - iii. Mixed-Light cultivation cannot exceed 10,000 square feet (Small Mixed-Light);
 - iv. Propagation area cannot exceed 25 percent of the permitted cultivation area and must be located in a separate area from flowering plants;
- c) The total combined cultivation area within the County cannot exceed 43,560 square feet (one acre) for any cannabis business owner;
- d) No more than nine centralized cannabis processing facilities may be permitted in agricultural zones within the unincorporated county at any one time and may process cannabis from onsite and within the local area.
- e) All other processing is limited to on-site cultivation use only;
- f) The minimum property setbacks for outdoor and mixed-light cultivation areas must be:
 - i. 100 feet from property lines;
 - ii. 300 feet from residences on surrounding properties; and
 - iii. 1,000 feet from sensitive uses, such as schools, parks, and treatment facilities.
- g) The minimum property setback for indoor cultivation structures within agricultural or resource zones must be:
 - i. 600 feet from a school providing education to K-12 grades.

The parcel is also subject to three combining districts, as follows:

Ager	Agenda Date: 1/26/2021		
•	Local Guidelines Combining District (Taylor/Sonoma/Mayacamas Mountains Scenic Landscape Unit (MTN SR)		
	0	The purpose of these guidelines and standards are to implement General Plan Land Use Element policies and programs to protect and enhance the unique character of specific unincorporated communities and areas, as designated by the Board, while allowing for land uses and development authorized in the General Plan Land Use Element. The standards are intended to reduce the visual impacts of residential related development within the Scenic Landscape Units of Taylor, Sonoma, and Mayacamas Mountain areas as visible from public roads.	
•	Riparian Corridor Combining District		
	Ο	The Riparian Corridor Combining District is intended to protect biotic resource communities, including critical habitat areas within and along riparian corridors, for their habitat and environmental value, and to implement the provisions of the General Plan Open Space and Resource Conservation and Water Resources Elements.	
•	Scenic Resources Combining District		
	О	The length of the project site that abuts Highway 12 is considered a Scenic Corridor. The remainder of the site is designated as a Community Separator. The purpose of the Scenic Resources designation is to protect the visual character and the scenic resources to ensure development is compatible with the rural and natural landscape. Section 26-64-030 requires structures within scenic corridors to be set back 30% of the depth of the lot to a maximum of 200 feet from the centerline of the road and prohibits development within this setback. All structures within community separators, including agricultural accessory structures that require a use permit, are subject to Section 26-64-020, which requires the following:	
	ο□	Structures sited below exposed ridgelines;	
	Ο	Structures use natural landforms and existing vegetation to screen them from view from public roads. On exposed sites, screening with native, fire resistant plants may be required;	
	ОΠ	Cuts and fills discouraged, and where practical, driveways are screened from public view;	
	ОΠ	Utilities placed underground where economically practical;	
		In the event that compliance with these standards would make a parcel unbuildable, structures must be sited where minimum visual impacts would result.	
<u>Staff</u>	Analysi	<u>s:</u>	
As p	roposed	, the project complies with all development standards as follows:	
a)	Oper	Operation is occurring on a 27.67-acre parcel;	

- b) 43,560 square feet of combined cultivation area;
 - i. 28,560 square feet of outdoor cannabis cultivation;
 - ii. 5,000 square feet of indoor wholesale nursery cannabis cultivation;
 - iii. 10,000 square feet of mixed-light cultivation;
- c) 10,890 square feet of propagation (25% of the cultivation area) is proposed as part of the project;
- d) This would be the second permitted centralized processing facility in an agricultural zone. To date, one centralized processing facility in agricultural zones has been approved but appealed (UPC18-0055 approved by the BZA on November 19, 2020);
- e) The cultivation applicant, Timothy Crites of CSCF, LLC., does not hold and has not applied for permits for other commercial cannabis cultivation areas in the County;
- f) The centralized processing applicant, Joseph E. Pearson of WWCMC, Inc., is in the process of applying for a separate use permit (file# UPC17-0048) for a one-acre outdoor cannabis cultivation, under PARC Holding Company LLC.
- g) Outdoor cultivation setbacks would be as follows:
 - i. At least 100 feet from the property lines;
 - ii. 600 feet from the closest off-site residence;
 - iii. 4,600 feet from Sonoma Valley Regional Park; and
- h) Indoor cultivation setback:
 - i. 2,000 feet southwest of Dunbar Elementary School (nearest school to project).

The proposed use must be maintained and operated in conformance with all applicable county and state statutes, ordinances, rules, and regulations, including the above development standards and all operating standards from Sonoma County Code Sections 26-88-250 through 26-88-254, as required by Condition of Approval No. 9 through 36. Operating standards include but are not limited to implementation of a Site Security Plan; installation and operation of odor control filtration systems; utilization of renewable energy sources; and groundwater monitoring.

• The project site is not classified as a Scenic Landscape Unit, however, has a Scenic Corridor overlay along the frontage of the subject parcel that abuts Highway 12 and Community Separator Scenic Resources Combining District Overlay covering the remainder of the subject parcel (see below) and does not propose the construction of new residential development, nor any exterior changes to existing residential structures. The project is exempt from the local guidelines and standards of the Taylor/Sonoma/Mayacamas Mountains Scenic Landscape Unit because it does not involve residential related development.

- No grading or ground disturbance activities are proposed in the Riparian Corridor along the northern limits of the subject site. The grading that would occur would be limited to areas that were previously disturbed, and the cut and fill would be approximately balanced.
- The proposed project structures used for commercial cannabis operations would be located more than 600 feet from the centerline of Highway 12. The limits of the proposed development are located outside of the Scenic Corridor Overlay. The entirety of the Scenic Corridor Overlay will remain undeveloped. This larger setback and existing natural vegetation are consistent with the purpose of the Scenic Resources Combining District (Article 64) and preserves the roadside landscapes of Goal OSRC-3.

Existing vegetation screens the site. Additionally, the limits of the proposed activities are setback approximately 545 feet away from the western boundary that abuts Highway 12 and approximately 810 feet from the southern property line that abuts Trinity Road, further limiting the visual impacts of the proposed project to the surrounding area. This was further assessed in the Initial Study that concluded there is a less than significant impact. The proposed development on the site is limited to the northeastern area of the subject site, which is located in the Community Separator SR designation, in an area that has been previously developed as a turkey farm, which ceased in the 1990's. The proposed project is consistent with the Community Separator Scenic Resources Combining District in that existing and proposed project structures are not sited on an exposed ridgeline, the existing trees and vegetation provides natural screening of the proposed operation from public views, there is an approximate balanced cut and fill, with an excess of 104 CY of net fill, and the additional planted materials proposed as part of the preliminary landscaping plan to provide additional screening. There are no proposed improvements or development proposed along the area of the subject site that is designated as a Scenic Corridor.

Although abutting the preferred alignment for the planned Sonoma Valley Trail, as identified in the 2016 Sonoma Valley Trail Feasibility Study, a park setback reduction is not required as part of this use permit approval because the Ordinance and Board policies state that setbacks only apply to existing trails and parks, not future or proposed trails and parks. If installed, the trail will be located within the 1,000 feet setback required for cannabis uses from parks. The existing topography and the mature vegetation that screens the cannabis operations from the public right-of-way would also screen the operations from trail users.

Issue #3: Hydrology and Water Usage

The project site is located in a Class 3 marginal groundwater area as defined by the California Department of Water Resources. Subject to requirements of General Plan Policy WR-2e, a groundwater study is required to demonstrate adequate groundwater supply. A hydrogeologic report prepared by PJC & Associates Inc., dated October 27, 2017 (PJC Initial Report), updated hydrogeologic report dated March 18, 2019 and supplemental letter dated June 28, 2019, were submitted following additional information requests by the County Geologist. The well located on the subject site provides services to the existing single-family residence, accessory dwelling unit and farming operations. Water for the cannabis operations would be taken from the existing well located on the abutting parcel to the north of the subject site and project location. A private water line easement covers the entirety of the water line to allow access for monitoring and maintenance.

Staff Analysis:

The project groundwater report drafted by PJC & Associates, Inc. concluded that the groundwater demand would be less than the rate of groundwater recharge and storage. The revised June 28, 2019 study showed that the demand for the one acre of mixed light and outdoor cultivation is estimated to be 3.7 acre feet per year (afy) within the Cumulative Impact Area (CIA) that includes the two other proposed cannabis cultivation operations located on adjacent lots. The groundwater report estimated total potential water demand for all four proposed cannabis cultivation operations to be 39.6 afy. This included, with the total domestic water use, vineyard irrigation and livestock water use, a total groundwater demand of 117.4 afy was calculated within the CIA. The groundwater recharge rate is estimated at 233 afy with an additional 3,240 acre feet of groundwater storage. Using a scenario of maximum development within the CIA, approximately 50% of the groundwater recharge and less than 4% of groundwater storage would be used.

Staff requested the applicant further investigate streamflow data for Calabazas Creek, a perennial stream listed as critical habitat for Steelhead. The October 17, 2019 response letter provided estimated values for streamflow depletion using updated estimates of aquifer storage and conservative dry-season stream flow data. The analysis found that the streamflow would be reduced as much as 9.8% after six months of project groundwater pumping. The applicant's consultant concluded that the level of streamflow depletion is negligible and unlikely to occur given the project well's distance from Calabazas Creek and the distance of the project well from the upland watershed of Calabazas Creek. The County Natural Resources Geologist independently reviewed and accepted all three applicant-submitted studies. This was also analyzed by staff in the CEQA process.

The applicant is conditioned to submit a Water Conservation Plan, per Condition of Approval #31, to provide the rainwater collection system details proposed after the resurrection of the proposed greenhouse. This would further reduce the need to draw water from the existing well.

Recommended Conditions of Approval #73 require a dedicated monitoring well separate from the supply well, groundwater level measuring devices and monthly streamflow measurements during the summer and autumn months. If the average water use over three years for the Use Permit exceeds 3.7 acre feet per year, the applicant must provide an updated Water Conservation Plan to Permit Sonoma's Natural Resources Geologist to reduce groundwater use, subject to review and approval of the Director (Condition of Approval #31 and #78). If water use exceeds the estimated use by more than 10%, Permit Sonoma would bring this matter to the Board of Zoning Adjustments for review to identify additional measures to reduce net groundwater use.

Issue #4: Odor

In adopting the Cannabis Ordinance, the Board of Supervisors found that air quality and odor issues could be addressed through compliance with operating standards described in Section 26-88-254(g)(2).

(2) Air Quality and Odor. All indoor and mixed light cultivation operations and any drying, aging, trimming and packing facilities shall be equipped with odor control filtration and ventilation system(s) to control odors, humidity, and mold. All cultivation sites shall utilize dust control measures on access roads and all ground disturbing activities.

Generally, odor can be reduced by implementing required setbacks. The cannabis ordinance states that outdoor and mixed-light cannabis operations must be 300 feet from residences and businesses and 1,000 feet from schools, parks, and other sensitive uses. The Board of Supervisors found that indoor operations with

odor control ventilation systems meeting the setbacks for the base zone and any applicable combining zone are sufficient in controlling odor.

According to U.S. Department of Agriculture studies, surrounding an odor-generating land use with a natural buffer or windbreak has been a successful strategy to reduce odor impacts. The buffer/windbreak strategy is most effective when parcels are large (at least 10 acres) and land uses are far apart, maximizing odor dissipation with distance between uses. Odor plumes generally travel along the ground in the direction of the prevailing winds. However, tree and shrub buffers have been found to deflect the odor plume above the vegetation layer where it is diffused into the atmosphere.

Staff Analysis:

The two presently proposed cannabis operations (UPC19-0002), and the other two proposed cultivation operations on adjacent parcels, are each allowed to cultivate under the Penalty Relief Program. The adjacent parcels are APN 053-110-076 (pending application PLP17-0040) and APN 053-100-016 (pending application UPC17-0048). Cannabis cultivation for UPC17-0048 has been consistent since acceptance in the program on about September 2017. Odors emitted from cannabis cultivation and the existing cattle grazing has not generated known odor complaints. Odors from the existing cattle grazing operation is not anticipated to impact cannabis odor. While participating in the Penalty Relief Program, at least one of the three operations has been cultivating cannabis annually and there have been no known odor complaints. The applicants are requesting the same cultivation size as authorized under the Penalty Relief Program and Staff does not anticipate future odor complaints with the approval of this use permit. Conditions of Approval #26 requires that the applicant log and resolve odor complaints. If verified odor complaints cannot be resolved, the project may be brought to the Board of Zoning Adjustments for review of additional measures. Additionally, Section 3.d of the Initial Study prepared by staff determined that the potential impacts of cannabis odor would be less than significant (pages 29-31).

The proposed project would include activated carbon filters and an odor neutralizing agent would be used in the greenhouse and processing building interiors or exhaust systems to filter odors to comply with Sonoma County Code Section 26-88-254(g)(2) and Condition of Approval #26. Additionally, the exhaust air would be directed toward the interior of the parcel to reduce off-site odor impacts. The proposed project would also comply with the setback requirements of Section 26-88-254(f). The existing vegetation along the perimeter of the subject site, adjacent to Highway 12, and the 600-foot setback from the highway and approximately 900 feet from Trinity Road would allow for odor dissipation, further minimizing the potential of cannabis odor reaching the residential subdivision across the highway and in the surrounding area. If odors are detected, Condition of Approval #26 requires an odor annual report and additional measures to address the odor.

Issue #5: Security

In adopting the cannabis ordinance, the Board of Supervisors found that security issues could be addressed through compliance with the Zoning Code Security and Fencing requirements as set forth in Section 26-88-254 (f)(21). A Site Security Plan must meet all the minimum requirements of the ordinance, tailored to address site -specific project activities and site constraints.

Staff Analysis:

County staff has reviewed the project Site Security Plan and found it to meet ordinance requirements (Section 26-88-254(f)(21).

The security plan, including site plan, outlines protocols, processes and physical improvements to ensure the community and employees are protected. Access to the site and to the buildings will be controlled with locks and access codes. The outdoor cultivation area would be fenced in. Because the subject site would be sharing an entrance, there would be two security gates at both end of the access drive from Trinity Road to Weise Road.

The security plan facilitates public safety in the neighborhood by limiting the potential for opportunistic crime at the site (e.g., controlling site access, implementing alarms and cameras to discourage break-ins, limiting cash on hand to discourage theft). With implementation of the Site Security Plan, the project would not present a meaningful public safety risk.

Issue #6: Public Comments

On January 22, 2020, the applicant presented the proposed project at the Sonoma Valley Citizens Advisory Commission. The commission voted unanimously to support of the proposed project. Minutes of the meeting can be found in Attachment 9.

A Notice of Intent to adopt the Mitigated Negative Declaration was posted and sent out to neighbors on December 11, 2020. One comment was received asking the status of the Penalty Relief Program Authorization, the results of the Initial Study and Mitigated Negative Declaration, and asked a question regarding impartiality of CEOA drafters.

On January 14, 2021 the hearing notification was posted, mailed to residents within 1000 feet of the subject property line.

During the project analysis, staff evaluated the potential risk to neighborhood health, safety and access. After review of the proposed project, the cannabis ordinance, the Sonoma County Community Development Code and the General Plan, staff determined that the proposed project would not be detrimental to the health and safety and would not impose unnecessary hardship on the residents.

Staff Analysis:

To date, staff has received two public comments that have requested additional information on the project and the ISMND. These are included in Attachment 10.

The establishment, maintenance, or operation of the proposed use, would not, under the circumstances of this particular case, be detrimental to the health, safety, peace, comfort, and general welfare of persons residing or working in the area of such use, nor be detrimental or injurious to property and improvements in the neighborhood or the general welfare of the area for the reasons detailed below.

 The mixed light cannabis cultivation area and the indoor wholesale nursery cultivation area would be contained within a greenhouse, similar to other agriculture structures in the area. The indoor areas would have all sides of the room covered and use exclusively artificial lighting, per Sonoma County definition. Existing residential development and vegetation and proposed landscaping along the

western limits of the project site would screen the building

Proposed lighting meets all requirements of the Zoning Code. The proposed greenhouse would fully
contain interior lighting and includes black out shades so there is no light pollution between sunset and
sunrise. Proposed security lighting at all locations is fully shielded, downward casting, and motion
sensor-controlled to remain off unless needed.

Environmental Determination

Staff prepared an Initial Study to assess the potential environmental impacts of the proposed project under the California Environmental Quality Act (CEQA) and the CEQA Guidelines, California Code of Regulations. Based on application materials provided by the applicant and technical specialists, an Initial Study was completed, which determined that project impacts could be mitigated to a less than significant level by incorporating mitigation measures into the proposed project. Mitigation measures are detailed in the Mitigated Negative Declaration and have been incorporated into the Conditions of Approval (Attachment 1). The environmental factors that would be potentially affected by the project and have been determined to be "Less than Significant with Mitigation" are as follows:

- Section 3, Air Quality: pages 22-31.
- Section 4, Biological Resources: pages 32 47.
- Section 13, Noise: pages 77 81

Following public review, the County received comments from the California Department of Fish and Wildlife (CDFW) and NOAA National Marine Fisheries Service (NMFS). In response, staff made proposed revisions to the MND and included in Attachment 11 - Response to CDFW and Errata. The County's Natural Resources Geologist prepared a response to the NOAA NMFS comments and that is included here as Attachment 13 - Groundwater Response to NMFS Comments.

Staff Recommendation

Staff recommends the Board of Supervisors adopt a Resolution adopting a Mitigated Negative Declaration and approving a Use Permit for a commercial cannabis operation of 20,000 square feet of centralized processing and a separate operation of 28,560 square feet of outdoor cultivation, 5,000 square feet of indoor wholesale nursery, 10,000 square feet of mixed-light cultivation, 10,890 square feet of propagation, and distribution-transportation only permit, subject to the attached Conditions of Approval.

Prior Board Actions:

December 17, 2019, Board of Supervisors action approving request for original jurisdiction over multiple applications, including UPC19-0002.

FISCAL SUMMARY

Narrative Explanation of Fiscal Impacts:

N/A

Attachments:

ATT 1	Draft Conditions of Approval
ATT 2	Vicinity Map
ATT 3	Aerial Map
ATT 4	General Plan Land Use Map
ATT 5	Zoning Map
ATT 6	Project Proposal
ATT 7	Site Plan
ATT 8	Preliminary Landscaping Plan
ATT 9	Sonoma Valley Citizens Advisory Commission Meeting Minutes, January 22, 2020
ATT 10	Public Comments
ATT 11	Groundwater Response to NMFS Comments

Related Items "On File" with the Clerk of the Board:

ATT 12 Draft Board of Supervisors Resolution

Draft Mitigated Negative Declaration Response to CDFW and Errata