

**RESOLUTION OF THE PLANNING COMMISSION
OF THE COUNTY OF HUMBOLDT**

Resolution Number 23-047

Record Number CUP-16-076

Assessor's Parcel Numbers: 211-184-006

Resolution by the Planning Commission of the County of Humboldt certifying compliance with the California Environmental Quality Act and conditionally approving the Lost Creek Farms, LLC, Conditional Use Permit and Special Permits.

WHEREAS, Lost Creek Farms, LLC, submitted an application and evidence in support of approving a Conditional Use Permit and a Special Permit for the continued operation of an existing 10,800 square foot (SF) Mixed Light and 1,000 SF Outdoor commercial cannabis cultivation operation with appurtenant propagation and drying activities. The Special Permit is to address setback reductions to public lands;

WHEREAS, the County, prepared an Addendum to the Final Mitigated Negative Declaration (MND) for the Commercial Medical Marijuana Land Use Ordinance (CMMLUO), adopted by the Humboldt County Board of Supervisors on January 26, 2016. The proposed project does not present substantial changes that would require major revisions to the previous MND. No new information of substantial importance that was not known and could not be known at the time was presented, as described by §15162(c) of CEQA Guidelines; and

WHEREAS, the Humboldt County Planning Commission held a duly-noticed public hearing on May 18, 2023, and reviewed, considered, and discussed the application for the requested Conditional Use Permit and reviewed and considered all evidence and testimony presented at the hearing.

Now, THEREFORE BE IT RESOLVED, that the Planning Commission makes all the following findings:

- 1. FINDING:** **Project Description:** Conditional Use Permit for 10,800 square feet (SF) of Mixed Light and 1,000 SF of Outdoor commercial cannabis cultivation with appurtenant propagation, drying and processing activities. Power is provided by a combination of solar and generator. Water for irrigation is provided by a permitted groundwater well. Processing will occur onsite in an existing building. Two (2) Special Permits are needed to address a setback reduction to public lands.

EVIDENCE: a) Project File: PLN-10820-CUP

- 2. FINDING:** **CEQA.** The project complies with the requirements of the California Environmental Quality Act. The Humboldt County Planning Commission has considered the Addendum to the Final Mitigated Negative Declaration (MND) prepared for the Commercial Medical

Marijuana Land Use Ordinance (CMMLUO) adopted by the Humboldt County Board of Supervisors on January 26, 2016.

- EVIDENCE:**
- a) Addendum Prepared for the proposed project.
 - b) The proposed project does not present substantial changes that would require major revisions to the previous mitigated negative declaration. No new information of substantial importance that was not known and could not be known at the time was presented as described by §15162(c) of CEQA Guidelines;
 - c) A Road Evaluation Report was completed by licensed engineer A.M. Baird, and is certified to meet Category 4 standards, or equivalent.
 - d) A Cultural Resources Survey was completed by Roscoe and Associates dated December 2019 which found no sensitive cultural or historical resources. The project has been conditioned for inadvertent discovery protocol for any ground disturbing activities, but development of the site has been mostly complete, so ground disturbance was not contemplated and is very limited to previously disturbed areas on the parcel.
 - e) A Site Management Plan (SMP) was provided and addressed any potential threats to water quality through 18 specific Map Points and describes upgrades needed for each specific location to meet site standards. Addressing and resolving these specific points will ensure water quality is preserved.

FINDINGS FOR ALL PERMITS

3. FINDING

The proposed development is in conformance with the County General Plan, Open Space Plan, and the Open Space Action Program.

EVIDENCE

General agriculture is a use type permitted in the Residential Agriculture (RA) land use designation. The proposed cannabis cultivation, an agricultural product, is within land planned and zoned for agricultural purposes, consistent with the use of Open Space land for managed production of resources. The use of an agricultural parcel for commercial agriculture is consistent with the Open Space Plan and Open Space Action Program. Therefore, the project is consistent with and complimentary to the Open Space Plan and its Open Space Action Program.

4. FINDING

The proposed development is consistent with the purposes of the existing u zone in which the site is located.

- EVIDENCE**
- a) The Unclassified or U Zone is intended to be applied to areas of the County in which general agriculture residential uses are the desirable predominant uses.
 - b) All general agricultural uses are principally permitted in the U zone.
 - c) Humboldt County Code section 314-55.4.8.2.2 allows cultivation of up to 43,560 square feet of existing outdoor cannabis and up to 22,000 square feet of existing mixed-light cannabis on a parcel over 1 acre subject to approval of a Conditional Use Permit and Zoning Clearance Certificate and a determination that the cultivation was in existence prior to January 1, 2016. The application for 10,800 SF of existing Mixed Light and 1,000 SF commercial cannabis cultivation on a roughly 60-acre parcel is consistent with this and with the cultivation area verification prepared by the County.

5. FINDING

The proposed development is consistent with the requirements of the CMMLUO Provisions of the Zoning Ordinance.

- EVIDENCE**
- a) The CMMLUO allows existing cannabis cultivation to be permitted in areas zoned U (HCC 314-55.4.8.2.2).
 - b) The parcel was created in compliance with all applicable state and local subdivision regulations. Determination of Status (DS17-008) resulted in the issuance of a Conditional Certificate of Subdivision Compliance for the two unlawfully created parcels which comprise APN 211-184-006-000. A Notice of Merger was approved 03/14/2023 (PLN-10820-NOM). The merger completed conditions of the recorded Conditional Certificate of Subdivision Compliance by allowing for a parcel that meets minimum General Plan standards. All other conditions of the Conditional Certificate have been completed. The merger of two unlawfully created parcels known as APN 211-184-006 resulted in one legal, contiguous 60-acre parcel.
 - c) The project will obtain water from a non-diversionary water source, which was established via analysis and reporting by a licensed engineer.
 - d) A Road Evaluation Report was completed by licensed engineer A.M. Baird, and is certified to meet Category 4 standards, or equivalent.
 - e) The slope of the land where cannabis will be cultivated is less than 15%
 - f) Power will be provided by a combination of solar and generator, with grant approval allowing upgrades to solar to eliminate generator(s) as

primary power source and rely solely on solar on or before 12/31/2024. After 12/31/2024 generators will be onsite for backup purposes, and in times of reduced insolation.

- g) The location of the cultivation complies with all setbacks required in Section 314-55.4.11.d. It is more than 30 from any property line, more than 300 feet from any off-site residence, more than 600 feet from any school, church, public park or Tribal Cultural Resource. A Special Permit is required to address 600 foot setback to public lands.

6. FINDING

The cultivation of 10,800 square feet of Mixed Light and 1,000 square feet of Outdoor existing commercial cannabis cultivation and the conditions under which it may be operated or maintained will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity.

EVIDENCE

- a) Access roads are developed to a category 4 standard, or equivalent.
- b) The site is in a rural part of the County where the typical parcel size is 60 acres and many of the land holdings are very large. The proposed cannabis will not be in a location where there is an established neighborhood or other sensitive receptor such as a school, church, park or other use which may be sensitive to cannabis cultivation. Approving cultivation on this site will not change the character of the area due to the large parcel sized in the area.
- c) The location of the proposed cannabis cultivation is more than 300 feet from the nearest off-site residence.
- d) Irrigation water will come from a groundwater well that has been permitted by the Environmental Health Department, and analyzed by licensed engineer to be hydrologically disconnected from surface waters. Grant funding approved will allow applicant to install rainwater catchment system, including additional water storage to total 70,000-gal., to supplement and offset use of the groundwater well.
- e) Provisions have been made in the applicant's Site Management Plan (SMP) to protect water quality and thus runoff to adjacent property and infiltration of water to groundwater resources will not be affected.

7. FINDING

The proposed development does not reduce the residential density for any parcel below that utilized by the Department of Housing and Community Development in determining compliance with housing element law.

EVIDENCE

- a) The parcel was not included in the housing inventory of Humboldt County's 2019 Housing Element but does have the potential to support

one housing unit. The approval of cannabis cultivation on this parcel will not conflict with the ability for a residence to be constructed on this parcel.

8. FINDING

Approval of this project is consistent with Humboldt County Board of Supervisors Resolution No. 18-43 which established a limit on the number of permits and acres which may be approved in each of the County's Planning Watersheds.

EVIDENCE

This project is located in the Cape Mendocino planning watershed which is limited to 650 permits and 223 acres of cultivation. If approved the Cape Mendocino watershed would have 236 permits and a total of 83 acres of cultivation.

9. FINDING

To ensure the project is conditioned appropriately to protect wildlife, the Planning Commission recommended a prohibition on monofilament netting.

EVIDENCE

A condition of Approval was added to explicitly prohibit the use of monofilament on the site.

DECISION

NOW, THEREFORE, based on the above findings and evidence, the Humboldt County Planning Commission does hereby:

- Adopts the findings set forth in this resolution; and
- Conditionally approves the Conditional Use Permit and a Special Permit for Lost Creek Farms, LLC subject to the conditions of approval attached hereto as Exhibit A and the Cultivation Operations Plan attached hereto as Exhibit B and Site Plan attached hereto as Exhibit C.

Adopted after review and consideration of all the evidence on May 18, 2023

The motion was made by COMMISSIONER Brian Mitchell and second by COMMISSIONER Peggy O'Neill and the following ROLL CALL vote:

AYES: COMMISSIONERS: Iver Skavdal, Noah, Thomas Mulder, Peggy O'Neill,
Brian Mitchell

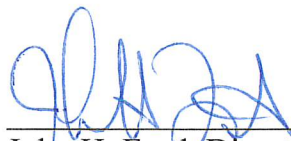
NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS: Sarah West, Lonyx Landry

ABSTAIN: COMMISSIONERS:

DECISION: Motion Carries 5/0/2

I, John H. Ford, Secretary to the Planning Commission of the County of Humboldt, do hereby certify the foregoing to be a true and correct record of the action taken on the above-entitled matter by said Commission at a meeting held on the date noted above.



John H. Ford, Director
Planning and Building Department

CONDITIONS OF APPROVAL

Approval of the Conditional Use Permit Is conditioned on the following terms and requirements, which must be satisfied before THE PROVISIONAL CANNABIS CULTIVATION PERMIT CAN BE FINALIZED.

A. General Conditions:

1. The applicant is responsible for obtaining all necessary County and State permits and licenses, and for meeting all requirements set forth by other regulatory agencies.
2. The applicant is required to pay for permit processing on a time and material basis, as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. The Planning and Building Department will provide a bill to the applicant after the decision. Any and all outstanding planning fees to cover the processing of the application to decision by the Hearing Officer shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka.
3. The applicant is responsible for costs for post-approval review for determining project conformance with conditions. A deposit is collected to cover the staff review. Permit conformance with conditions must be demonstrated prior to release of building permit or initiation of use, and at the time of annual inspection. A conformance review deposit, as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors (currently \$750), shall be paid within sixty (60) days of the effective date of the permit or upon filing of the Compliance Agreement (where applicable), whichever occurs first. Payment shall be made to the Humboldt County Planning Division, 3015 "H" Street, Eureka.
4. A Notice of Determination (NOD) will be prepared and filed with the County Clerk for this project in accordance with the State CEQA Guidelines. Within three days of the effective date of permit approval the Planning and Building Department will file the NOD and will charge this cost to the project.
5. Within 60 days of the effective date of project approval, the applicant shall execute a Compliance Agreement with the Humboldt County Planning Department detailing all necessary permits and infrastructure improvements described under Conditions of Approval #6 - 18. The agreement shall provide a timeline for completing all outstanding items. All activities detailed under the agreement must be completed to the satisfaction of the Planning and Building Department before the permit may be finalized and no longer considered provisional.
6. The applicant shall obtain all necessary building permits and grading permits from the Building Inspection Division (BID) for all structures related to the commercial cannabis cultivation operation, including drying and processing building, greenhouses, sheds, and grading. The applicant shall submit floor plans including dimensions with electrical,

mechanical and plumbing details for all existing Agriculture Exempt Structures and an Agriculture Exempt letter of intent for each. The applicant shall submit two complete sets of construction plans developed by a California-licensed engineer for the building permits. All building plans submitted for approval shall be consistent with those approved in this permit. Processing building will require a commercial F-1 occupancy permit and Final Occupancy Certificate from the BID within two years of project's effective date. Alternatively, processing such as trimming and packaging can occur offsite at a licensed facility.

7. No processing can occur on-site until the processing building is served by a permitted Onsite Wastewater Treatment System. A letter or similar communication from the Division of Environmental Health shall satisfy this condition. Applicant shall provide receipts of the continual use of portable toilets and handwashing stations for cultivation staff.
8. Processing building will require a commercially rated building permit issued within two years of the effective date of the project. If a commercial building permit for the processing building cannot be obtained within the two-year timeline, all trimming and packaging shall occur offsite at a licensed facility. This is required to allow processing from a project on adjacent parcel under common ownership to occur.
9. The applicant shall transition from mixed generator/solar use for operations to a minimum of 80% renewable energy (e.g., solar, wind, hydropower, grid power purchased from a renewable portfolio) sources by January 1, 2026. The applicant shall submit an energy budget outlining power needs for the project, noting the renewable energy source chosen, and demonstrating capability to supply renewable energy for 80% of the project power needs. Final signoff from the Planning Department will satisfy this condition.
10. The applicant shall construct noise containment structures for all generators used on the parcel. The applicant shall obtain all required building permits for such structures. The applicant shall maintain generator, fan, and dehumidifier noise at or below 50 decibels at the edge of the clearing or 100 feet, whichever distance is closer. This will satisfy the auditory disturbance guidance prepared by the U.S. Fish and Wildlife (USFS), California Fish and Wildlife (CDFW) and Department Policy Statement No. 16-005 to minimize impacts to the Northern Spotted Owl and Marbled murrelet. All generators must be located on stable surfaces with a minimum 200-foot buffer from Class I and Class II streams, per the requirements of CDFW. In addition, fire-resistant materials shall be utilized for construction of the generator containment structures. No generator use is authorized by this permit until the applicant can demonstrate compliance with this standard. Verification from Planning Division staff is required.
11. All artificial lighting including greenhouse, security, and propagation area lighting shall comply with International Dark Sky Association standards for Lighting Zone 0 and Lighting Zone 1, and be designed to regulate light spillage onto neighboring properties resulting from backlight, up light, or glare (BUG). International Dark Sky Association standards exceed the requirements of Scenic Resources Standard SR-S4, Light and Glare, that lighting be fully shielded, and designed and installed to minimize off-site lighting and direct light within the property boundaries. No use of artificial lighting is authorized by this permit until the

applicant can demonstrate compliance with this standard. Verification from Planning Division staff is required.

12. The applicant shall submit copies of all documents filed with the State Water Resources Control Board, including, but not limited to, a Site Management Plan. The applicant is required to adhere to and implement the requirements contained in the SWRCB's Cannabis Cultivation Policy, the General Order, the Site Management Plan, and the Notice of Applicability. A copy of the reporting form portion of the Mitigation and Reporting Program (MRP) shall be submitted annually to the Planning and Building Department concurrent with the submittal to the SWRCB. Additionally, all treatments listed within the Site Management Plan on pages 21 – 25, Map Points 1 -10 & 18 – 25, shall be completed and an implementation report with photographs of completed work will be submitted to the Planning and Building Department. Confirmation of completion by Planning Division staff of all unique map points is required to complete this requirement.
13. The applicant shall cause to be recorded an "ACKNOWLEDGMENT OF NO AVAILABLE EMERGENCY RESPONSE AND FIRE SUPPRESSION SERVICES" for the parcel(s) on a form provided by the Humboldt County Planning Division. Document review fees as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors will be required.
14. The driveway shall be graveled, in kind with the surface of Panther Gap Road, for a minimum width of 20 feet and a length of 50 feet where it intersects Panther Gap Road. An encroachment permit shall be issued by the Department of Public Works prior to commencement of any work in the County maintained right of way.
15. All private road intersections onto the County Road shall be maintained in accordance with County Code Section 341-1 (Sight Visibility Ordinance). This condition shall be completed to the satisfaction of the Department of Public Works prior to commencing operations, final sign-off for a building permit, or Public Works approval for a business license.
16. The applicant shall be compliant with the County of Humboldt's Certified Unified Program Agency (CUPA) requirements regarding any hazardous materials. A written verification of compliance shall be required before any provisional permits may be finalized. Ongoing proof of compliance with this condition shall be required at each annual inspection in order to keep the permit valid.
17. The applicant is required to pay for permit processing on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. The Department will provide a bill to the applicant after the decision. Any and all outstanding Planning fees to cover the processing of the application to decision by the Hearing Officer shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka.

18. The applicant shall install a water meter at the point(s) of use to accurately capture all irrigation water used for commercial cannabis, and shall provide annual water use logs to the Planning Division broken down by month and source for the life of the project.
19. No rodenticides are authorized for use for cannabis cultivation activities on the subject parcel for the life of the project.
20. The use of monofilament netting is prohibited.
21. Permits PLN-10820-CUP and PLN-10821-CUP are under common ownership. Should this permit be transferred to a different owner than PLN-10821-CUP, the propagation space on this property may be developed to no more than 10% of the permitted cultivation area on the property.

B. Ongoing Requirements/Development Restrictions Which Must be Satisfied for the Life of the Project:

1. The combination of background, and greenhouse fan or other operational equipment created noise must not result in the harassment of Foraging Bat species or Northern Spotted Owl, and is required to meet the performance standards for noise set by Department Policy Statement No. 16-005 clarifying CCLUO Section 55.4.11 (o) requirements. The combined noise levels measured at 100 feet or the edge of habitat, whichever is closer, shall be at or below 50 decibels. Conformance will be evaluated using current auditory disturbance guidance prepared by the United State Fish and Wildlife Service, and further consultation where necessary. A building permit shall be obtained should any structures be necessary for noise attenuation. The applicant is to limit the use of heavy equipment during nesting season February 1st through August 15th.
2. All components of project shall be developed, operated, and maintained in conformance with the Project Description, the approved Site Plan, the Plan of Operations, and these conditions of approval. Changes shall require modification of this permit except where consistent with Humboldt County Code Section 312-11.1, Minor Deviations to Approved Plot Plan.
3. Cannabis cultivation and other commercial cannabis activity shall be conducted in compliance with all laws and regulations as set forth in the CMMLUO and MAUCRSA, as applicable to the permit type.
4. If operating pursuant to a written approved compliance agreement, permittee shall abate or cure violations at the earliest feasible date, but in no event no more than two (2) years from the date of issuance of a provisional clearance or permit. Permittee shall provide plans for curing such violations to the Planning and Building Department within one (1) year of issuance of the provisional clearance or permit. If good faith effort towards compliance can be shown within the two years following the issuance of the provisional clearance or permit, The Planning Department may, at the discretion of the Director, provide for extensions of the provisional permit to allow for additional time to meet the outstanding requirements.

5. Possession of a current, valid required license, or licenses, issued by any agency of the State of California in accordance with the MAUCRSA, and regulations promulgated thereunder, as soon as such licenses become available.
6. Compliance with all statutes, regulations and requirements of the California State Water Resources Control Board and the Division of Water Rights, at a minimum to include a statement of diversion of surface water from a stream, river, underground stream, or other watercourse required by Water Code Section 5101, or other applicable permit, license, or registration, as applicable.
7. Confinement of the area of cannabis cultivation, processing, manufacture or distribution to the locations depicted on the approved site plan. The commercial cannabis activity shall be set back at least 30 feet from any property line, and 600 feet from any School, School Bus Stop, Church or other Place of Religious Worship, or Tribal Cultural Resources, except where a reduction to this setback has been approved pursuant to County Code Section 55.4.11(d).
8. Consent to an annual on-site compliance inspection, with at least 24 hours prior notice, to be conducted by appropriate County officials during regular business hours (Monday – Friday, 9:00 am – 5:00 pm, excluding holidays).
9. Maintain weekly records of all irrigation water use.
10. Leave wildlife unharmed. If any wildlife is encountered during the Authorized Activity, Permittee shall not disturb the wildlife and shall allow wildlife to leave the work site unharmed.
11. The environmental impacts of improper waste disposal are significant and well documented. All refuse shall be contained in wildlife proof storage containers, at all times, and disposed of at an authorized waste management facility.
12. Security light shall be shielded to prevent light spillage onto neighboring properties and comply with International Dark Sky Association standards as set forth in the CCLUO.

Performance Standards for Cultivation and Processing Operations

12. Pursuant to the MAUCRSA, Health and Safety Code Section 19322(a)(9), an applicant seeking a cultivation license shall “provide a statement declaring the applicant is an ‘agricultural employer,’ as defined in the Alatorre-Zenovich-Dunlap-Berman Agricultural Labor Relations Act of 1975 (Part 3.5 commencing with Section 1140) of Division 2 of the Labor Code), to the extent not prohibited by law.”
13. Cultivators shall comply with all applicable federal, state, and local laws and regulations governing California Agricultural Employers, which may include: federal and state wage and hour laws, CAL/OSHA, OSHA, California Agricultural Labor Relations Act, and the

Humboldt County Code (including the Building Code).

14. Cultivators engaged in processing shall comply with the following Processing Practices:
 - I. Processing operations must be maintained in a clean and sanitary condition including all work surfaces and equipment.
 - II. Processing operations must implement protocols which prevent processing contamination and mold and mildew growth on cannabis.
 - III. Employees handling cannabis in processing operations must have access to facemasks and gloves in good operable condition as applicable to their job function.
 - IV. Employees must wash hands sufficiently when handling cannabis or use gloves.
15. All persons hiring employees to engage in commercial cannabis cultivation and processing shall comply with the following Employee Safety Practices:
 - i. Cultivation operations and processing operations must implement safety protocols and provide all employees with adequate safety training relevant to their specific job functions, which may include:
 - 1) Emergency action response planning as necessary;
 - 2) Employee accident reporting and investigation policies;
 - 3) Fire prevention;
 - 4) Hazard communication policies, including maintenance of material safety data sheets (MSDS);
 - 5) Materials handling policies;
 - 6) Job hazard analyses; and
 - 7) Personal protective equipment policies, including respiratory protection.
 - ii. Cultivation operations and processing operations must visibly post and maintain an emergency contact list which includes at a minimum:
 - 8) Operation manager contacts;
 - 9) Emergency responder contacts;
 - 10) Poison control contacts.
 - iii. At all times, employees shall have access to safe drinking water and toilets and handwashing facilities that comply with applicable federal, state, and local laws and regulations. Plumbing facilities and water source must be capable of handling increased usage without adverse consequences to neighboring properties or the environment.
 - iv. On site-housing provided to employees shall comply with all applicable federal, state, and local laws and regulations.
16. All cultivators shall comply with the approved Processing Plan as to the following:
 - i. Processing Practices.
 - ii. Location where processing will occur.
 - iii. Number of employees, if any.
 - iv. Employee Safety Practices.

- v. Toilet and handwashing facilities.
- vi. Plumbing and/or septic system and whether or not the system is capable of handling increased usage.
- vii. Drinking water for employees.
- viii. Plan to minimize impact from increased road use resulting from processing.
- ix. On-site housing, if any.

17. Term of Commercial Cannabis Activity Special Permit. Any Commercial Cannabis Cultivation Special Permit issued pursuant to the CCLUO shall expire after one (1) year after date of issuance, and on the anniversary date of such issuance each year thereafter, unless an annual compliance inspection has been conducted and the permittees and the permitted site have been found to comply with all conditions of approval.

If the inspector or other County official determines that the permittees or site do not comply with the conditions of approval, the inspector shall serve the Special Permit or permit holder with a written statement identifying the items not in compliance, and the action that the permit holder may take to cure the non-compliance, or file an appeal within ten (10) days of the date that the written statement is delivered to the permit holder. Personal delivery or mailing the written statement to the mailing address listed on the application by regular mail, plus three (3) days after date of mailing, shall constitute delivery. The permit holder may request a reinspection to determine whether or not the permit holder has cured all issues of non-compliance. Failure to request reinspection or to cure any items of non-compliance shall terminate the Special Permit, immediately upon the expiration of any appeal period, or final determination of the appeal if an appeal has been timely filed pursuant to Section 55.4.13 of the CCLUO.

18. Acknowledgements to Remain in Full Force and Effect. Permittee acknowledges that the County reserves the right to reduce the size of the area allowed for cultivation under any clearance or permit issued in accordance with this Section in the event that environmental conditions, such as a sustained drought or low flows in the watershed in which the cultivation area is located will not support diversions for irrigation.

Permittee further acknowledges and declares that:

- (1) All commercial cannabis activity that I, my agents, or employees conduct pursuant to a permit from the County of Humboldt for commercial cultivation, processing, manufacturing, and distribution of cannabis for adult use or medicinal use within the inland area of the County of Humboldt, shall at all times be conducted consistent with the provisions of the approved County permit; and
- (2) All cannabis or cannabis products under my control, or the control of my agents or employees, and cultivated or manufactured pursuant to local Ordinance and the State of California Medicinal and Adult Use Cannabis Regulation and Safety Act ("MAUCRSA") (SB 94), will be distributed within the State of California; and

(3) All commercial cannabis activity conducted by me, or my agents or employees pursuant to a permit from the County of Humboldt will be conducted in compliance with the State of California MAUCRSA.

19. Transfers. Transfer of any leases or permits approved by this project is subject to the review and approval of the Planning Director for conformance with CCLUO eligibility requirements, and agreement to permit terms and acknowledgments. The fee for required permit transfer review shall accompany the request. The request shall include the following information:

- (1) Identifying information for the new Owner(s) and management as required in an initial permit application;
- (2) A written acknowledgment by the new Owner in accordance as required for the initial Permit application;
- (3) The specific date on which the transfer is to occur; and
- (4) Acknowledgement of full responsibility for complying with the existing permit; and
- (5) Execution of an Affidavit of Non-diversion of Commercial Cannabis.

20. Inspections. The permit holder and subject property owner are to permit the County or representative(s) or designee(s) to make inspections at any reasonable time deemed necessary to assure that the activities being performed under the authority of this permit are in accordance with the terms and conditions prescribed herein.

Informational Notes:

1. Pursuant to Section 314-55.4.6.5.7 of the CCLUO, if upon inspection for the initial application, violations of any building or other health, safety, or other state or county statute, ordinance, or regulation are discovered, the Planning and Building Department may issue a provisional clearance or permit with a written approved Compliance Agreement. By signing the agreement, the permittee agrees to abate or cure the violations at the earliest opportunity but in no event more than two (2) years of the date of issuance of the provisional clearance or permit. Plans for curing the violations shall be submitted to the Planning and Building Department by the Permittee within one (1) year of the issuance of the provisional certificate or permit.
2. This provisional permit approval shall expire and become null and void at the expiration of one (1) year after all appeal periods have lapsed (see "Effective Date"); except where the Compliance Agreement per Condition of Approval #1 has been executed and the corrective actions pursuant to the agreement are being undertaken. Once building permits have been secured and/or the use initiated pursuant to the terms of the agreement, the use is subject to the Permit Duration and Renewal provisions set forth in Conditions of Approval #27 of the On-Going Requirements /Development Restrictions, above.
3. If cultural resources are encountered during construction activities, the contractor on site shall cease all work in the immediate area and within a 50-foot buffer of the discovery location. A qualified archaeologist as well as the appropriate Tribal Historic Preservation

Officer(s) are to be contacted to evaluate the discovery and, in consultation with the applicant and lead agency, develop a treatment plan in any instance where significant impacts cannot be avoided.

Prehistoric materials may include obsidian or chert flakes, tools, locally darkened midden soils, groundstone artifacts, shellfish or faunal remains, and human burials. If human remains are found, California Health and Safety Code Section 7050.5 requires that the County Coroner be contacted immediately at 707-445-7242. If the Coroner determines the remains to be Native American, the Native American Heritage Commission will then be contacted by the Coroner to determine appropriate treatment of the remains pursuant to Public Resources Code Section 5097.98. Violators shall be prosecuted in accordance with Public Resources Code Section 5097.99.

4. The applicant is required to pay for permit processing on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. The Department will provide a bill to the applicant after the decision. Any and all outstanding Planning fees to cover the processing of the application to decision by the Hearing Officer shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka.
5. The Applicant is responsible for costs for post-approval review for determining project conformance with conditions on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. The Department will send a bill to the Applicant for all staff costs incurred for review of the project for conformance with the conditions of approval. All Planning fees for this service shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka.
6. A Notice of Determination (NOD) will be prepared and filed with the County Clerk for this project in accordance with the State CEQA Guidelines, the Department will file the NOD and will charge this cost to the project.
7. The Applicant is responsible for costs for post-approval review for determining project conformance with conditions prior to release of building permit or initiation of use and at time of annual inspection. In order to demonstrate that all conditions have been satisfied, applicant is required to pay the conformance review deposit as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors (currently \$750) within sixty (60) days of the effective date of the permit or upon filing of the Compliance Agreement (where applicable), whichever occurs first. Payment shall be made to the Humboldt County Planning Division, 3015 "H" Street, Eureka.
8. The operator shall provide information to all employees about the potential health impacts of cannabis use on children. Information shall be provided by posting the brochures from the Department of Health and Human Services titled *Cannabis Palm Card* and *Cannabis Rack Card*. This information shall also be provided to all employees as part of the employee orientation.