

Recommended Planning Commission Action

1. Describe the application as part of the Consent Agenda.
2. Survey the audience for any person who would like to discuss the application.
3. If no one requests discussion, make the following motion to approve the application as a part of the consent agenda:

(a) Find that the Planning Commission considered the Mitigated Negative Declaration prepared for the MDF Enterprises, Inc. project, together with all comments received during the public review process, pursuant to Section 15074 of the State CEQA Guidelines;

(b) Make the findings in support of the Mitigated Negative Declaration;

(c) Adopt the Mitigated Negative Declaration;

(d) Make all the required findings for approval of the Special Permit and Zoning Clearance Certificate; and

(e) Approve the MDF Enterprises, Inc., Special Permit and Zoning Clearance Certificate, and Mitigation Monitoring & Reporting Program as recommended by staff and subject to the recommended conditions.

Executive Summary: A proposal to receive 60,000 s.f. of mixed light cultivation in 24 greenhouses from three retirement sites (which are different projects), and add 6,000 s.f. of additional propagation space in two greenhouse/nursery buildings, and add a 2,400 s.f. metal building for processing. The proposed uses would add to an existing approved 30,000 s.f. of mixed light cultivation and 3,000 s.f. of propagation in 13 greenhouses. Existing and proposed cultivation will total 90,000 s.f. in 37 greenhouses, and 9,000 s.f. of propagation in three greenhouses. The applicant anticipates two to three cycles per year of mixed light for all cultivation areas. An existing 1,500 s.f. metal building will be retrofitted to code as a cottage/office for a caretaker/manager who will be onsite 24 hours per day. An existing 1.5 million-gallon rainwater catchment pond, and two existing back-up wells, will serve the existing and proposed cultivations. There are 16 existing water tanks, which, with the pond, provide 1,547,500 gallons of storage. The mixed light cultivation power is currently sourced from generator which will continue to be used for the expansion. The applicant has applied for a PG&E agricultural drop to obtain grid power. Six employees may be added to the existing six to serve the total facility. There is a 6' privacy fence interior to the property and surrounding the existing and proposed new cultivation and processing facilities. Because the project involves more than two receiving sites, a Special Permit is required pursuant to Section 314-55.4.6.5.9.4 of the Humboldt County Code (revisions adopted September 21, 2021).

Background

The project site was previously approved for 30,000 s.f. of cannabis cultivation with two ZCCs in 2018, with an additional 3,000 s.f. of propagation space, and processing facilities. The existing, approved uses are not subject to further discretionary review. The proposed project will add 60,000 s.f. of Mixed Light via three ZCCs under the County's RRR program, for a total of 90,000 s.f. of cannabis. The three RRR donation-remediation sites are separate projects on other properties and are not considered further under this application.

Cultivation Operations

The proposed 60,000 s.f. of cannabis and ancillary propagation will be fully integrated with the existing cannabis operation. The proposed cultivation and operations plan reflects a single, 90,000 s.f. of mixed light cultivation and a processing facility.

The applicant expects 2 to 3 cycles per year from its mixed light activities, with 9,000 sq. ft. of accessory propagation area. MDF has installed drip irrigation for the existing farm, and will extend this method to the new area. Timers are used to prevent overwatering and manual shutoff prevents watering during cool days when less water is needed. Water is applied at agronomic rates.

The mixed light cultivation power source currently comes from generator use. However, the applicant is applying for a PG&E Agriculture Drop to bring grid power to the site. Once the grid power is in place, generators will no longer be used for its mixed light power needs.

Applicant will shield greenhouses used in its mixed light cultivation operation so that little to no light escapes. In any event, light shall not escape at a level that is visible from neighboring properties between sunset and sunrise, and will comply with the International Dark Sky Association standards for lighting.

Water Source and Storage

A 1.5-million-gallon rainwater catchment pond that was previously approved by the County is on-site and will continue to be used for the cultivation and propagation of the 90,000 s.f. grow. There are two existing, permitted wells on site that have been demonstrated as being non-diversionary. These will be on hand for back-up if needed. Seventeen (17) water storage tanks of various size will store 47,500 gallons, for a total storage volume of 1,547,500-gallons.

Biological Resources

A biological resources assessment was prepared in 2019, a wetland delineation report in 2020, and three appropriately timed seasonal botanical surveys in 2021. The botanical surveys found no special status plants, and therefore there will be no impacts related to plant species. The aquatic resources delineation concluded there are no wetland features on site. The biological resources assessment determined that the project has the potential to impact habitat due to vegetation removal, and could disturb nesting birds causing them to abandon their nests. Also, the potential loss of birds and their nests resulting from the cumulative impact of cannabis projects would be potentially significant. No direct impacts to protected animal species, such as NSO and bald eagles, are identified. Lastly vegetated areas adjacent to streams but outside Streamside Management Areas could be disturbed, which may impact amphibious species. Mitigation measures reducing these potential impacts to a less than significant level were recommended by the biologist, and are included in this staff report in the recommended findings, and in recommended **Conditions of Approval Nos. 26 through 32.**

Cultural Resources

A cultural resources report (CRS) was requested by the Bear River Band, and was prepared in May 2018. Although few items of significance were identified in the field, due to the known presence of confirmed archaeological sites of significance in the area, measures were recommended to ensure no disturbance to resources that may be present. This includes onsite monitoring by an archaeologist or tribal representative during construction of the greenhouses. These are mitigation measures, as well a listed as proposed **Condition of Approval No. 33.** Under the provisions of AB 52, the CRS was subsequently referred to the tribes identified by the Native American Heritage Commission as being traditionally associated with the project site. These included the Bear River Band and Cher-Ae Heights. Neither tribe requested further consultation under AB 52, and the County's responsibilities under AB 52 were complied with and concluded.

Environmental Review

Environmental review for the proposed project included the preparation of an Initial Study/Mitigated Negative Declaration (IS/MND) pursuant to the California Environmental Quality Act (CEQA) Statute (Public Resources Code 21000–21189) and Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000–15387). The IS/MND was circulated from July 27, 2021, to August 25, 2021, at

the State Clearinghouse. The Mitigated Negative Declaration concluded there are no impacts that could not be mitigated, and nine (9) mitigation measures were included addressing areas of biological resources, cultural and tribal cultural resources. The measures are listed in the IS/MND and the Mitigation Monitoring and Reporting Program attached to this staff report, and in the Findings contained in the draft Resolution. Comments were received from two agencies – the California Department of Cannabis Control, and Caltrans. No comments were received from members of the public. Comments received did not change the conclusions of the Mitigated Negative Declaration, but provided assistance in developing recommended conditions of approval (**Condition No. 20**). The comment letters attached to the staff report and are summarized and addressed in the Findings.

RECOMMENDATION: Based on a review of Planning Division reference sources and comments from all involved referral agencies and responses to comments on the IS/MND, Planning staff believes that the Mitigated Negative Declaration complies with the provisions of CEQA, that the findings in support of the MND can be made, and that the applicant has submitted evidence in support of making all of the required findings for approval of the Special permit and Zoning Clearance Certificate.

ALTERNATIVES:

1. Staff prepared a thorough environmental analysis which included the preparation of an IS/MND pursuant to the CEQA Statute (Public Resources Code 21000–21189) and Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000–15387). The Planning Commission could also decide the project may have environmental impacts that would require further environmental review pursuant to CEQA. Staff did not identify any potentially significant unmitigable impacts.
2. The Planning Commission could elect not to approve the Special permit and ZCC, or to require the applicant to submit further evidence, or modify the project. Modifications may cause potentially significant impacts, additional CEQA analysis and findings may be required. These alternatives could be implemented if the Planning Commission is unable to make all of the required findings. Staff has stated that the required findings in support of the proposal have been made. Consequently, Staff does not recommend further consideration of either alternative.