ATTACHMENT 3

CEQA ADDENDUM TO THE FINAL ENVIRONMENTAL IMPACT REPORT FOR THE COMMERCIAL CANNABIS LAND USE ORDINANCE

Commercial Cannabis Land Use Ordinance Final Environmental Impact Report (EIR) (State Clearinghouse # 2017042022), January 2018

APNs 216-141-005-000 & 216-144-006-000, 16875 Dyerville Loop Road, Alderpoint County of Humboldt

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Background

Modified Project Description and Project History -

The Commercial Cannabis Land Use Ordinance (CCLUO) updated the County's existing Commercial Medical Marijuana Land Use Ordinance (Section 313-55.4 and 314-55.4 of Chapter 3 of Division 1 of Title III of the County Code) as well as repeal of the Medical Cannabis Testing and Research Laboratories provisions and on-site consumption prohibition found in Sections 313-55.3.15, 314-55.3.15, 313-55.3.11.7, and 314-55.3.11.7 of Division 1 of Title III of the County Code, respectively. These regulations establish land use regulations for the commercial cultivation, processing, manufacturing, distribution, testing, and sale of cannabis within the County. These regulations were developed in concert with the Final Environmental Impact Report (EIR) that was adopted for the ordinance in order to implement the mitigation measures of the EIR. The EIR addressed the broad environmental impacts that could be expected to occur from the adoption and implementation of the ordinance. The EIR specified that the regulations established in the CCLUO would mitigate the impacts of new and existing cannabis operations by establishing specific regulations for location and conditions under which the development of new commercial cannabis could occur. The EIR prepared for the CCLUO also established local land use regulations for new and pre-existing commercial cannabis operations in the unincorporated area of the County that ensure the health and safety of residents, employees, County visitors, neighboring property owners and end users of cannabis. The proposed project is consistent with all regulations within the CCLUO and all mitigation measures of the EIR. Current project was contemplated by the EIR and compliance with the provisions of the CCLUO will fully mitigate all environmental impacts of the project to a less than significant level.

Project Description:

The project is located in Humboldt County, near the Alderpoint area. The parcel is on North-East facing slope with a mixed woodland forest surrounding a series of natural prairies. A natural waterway, Steelhead Creek, meanders on and off the property with an associated riparian habitat. All related cultivation activity will occur outside of the required setbacks for Stream Management Areas. The project parcel does not contain any rare or endangered species, or potential habitat. The slope of the parcel is listed as highly instable; The slope ranges between 15-30% at the project site. An unnamed fault line occurs approximately 1.1-mile North-West of the project site.

The modified project involves an approved Conditional Use Permit and Special Permit for 13,477 SF (SF) of existing outdoor commercial cannabis cultivation. The project modification seeks to convert 600 SF of full sun outdoor cultivation into a 10'x60' greenhouse (GH9 on site plan). The applicant also proposes to replace the entire 1,490 SF of full sun outdoor cultivation with two (2) greenhouses (GH5 and G6 on the site plan), both measuring 15'x40'. The applicant would also like to replace existing light deprivation greenhouses #4-8 (20x'37.5' each) with a 20'x100' greenhouse (GH1 on site plan) and a 20'x80' greenhouse (GH2 on site map). The applicant proposes to utilize light deprivation methods to yield two (2) harvest cycles per year. There will be no increase in the existing cultivation project footprint. No additional changes in cultivation operations, employee plan or energy use have been proposed. In addition, there will be no changes in projected water use or water source.

The project site contains riparian habitat associated with Steelhead Creek. However, all related project

elements are outside of the required setbacks. The retired cultivation area on the site will be restored to its natural state. A Cultural Resource Survey has been provided for the subject parcel.

No potential significant impacts were identified.

Operations

The applicant would continue to conduct a commercial cannabis cultivation consisting of 13,477 SF of cultivation Other already permitted activities include processing (drying, curing, and trimming), and tours on-site. The applicant proposes to add and 1,300 SF ancillary nursery area greenhouse. No increased traffic to and from the site is anticipated. The applicant shall obtain the appropriate license from the State of California Department of Cannabis Control (DCC) or shall obtain other written documentation from the DCC stating that a license is not required for the proposed retail activities.

Water Resources

Water for irrigation is sourced from a permitted groundwater well (DEH Permit No. 18/19-0549). The well completion report shows the depth to static water level is 68 feet. The well has screened intake through 140 feet of shale formation, which is indicative o groundwater. Domestic water is sourced from a deeded easement to a spring on the adjacent parcel. Estimated annual water use for commercial cannabis irrigation is 141,120 gallons (9.61 gal//ft²). Storage capacity is 39,000 gallons in nine (9) HDPE tanks. Water was previously stored in bladders which have bee removed. The site also maintains a dedicated fire tank minimum 2,500-gallon capacity that shall be clearly labeled and outfitted with appropriately sized connectors per CALFIRE specification. Water meters are used to monitor and quantity irrigation water use. An in crease in water use is not being proposed for this modification.

Noise, Lighting, & Energy

No increase in noise, lighting or energy usage is anticipated as part of the proposed project.

Public Accommodations

Portable toilets and handwashing stations will be provided on an ongoing basis to serve the needs of cultivation staff. All further processing will be done by an off-site third-party processing facility.

Access/Parking:

Access to the site is 1.1 miles of a private drive off Dyerville Loop Road, a gravel County-maintained road. A Road Evaluation Report was submitted by the applicant self-certifying that the entire road segment is developed to the equivalent of a road category 4 standard (see Attachment 4). Public Works commented and requested conditions of approval. The intersection of the private road and Dyerville Loop Road shall be rocked for a width of 20 feet and length of 50 feet to meet commercial standards and sight visibility standards. This has been included as a condition of approval. The Water Resource Protection Plan identified surface erosion on the access road and recommended the entire road be resurfaced with a fresh layer of crushed rock. Implementation of this recommendation is included as a condition of approval. The proposed Conditional Use Permit and Special Permit Modification would not increase vehicle traffic to the site.

<u>Purpose</u> - Section 15164 of the California Environmental Quality Act (CEQA) provides that the lead agency shall prepare an addendum to a previously certified Final Environmental Impact Report (EIR) if some changes or additions are necessary but none of the conditions described in Section 15162 calling for a subsequent EIR or Negative Declaration have occurred. Section 15162 states that when an EIR has been certified for a project, no subsequent EIR shall be prepared for that project unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

- 1. Substantial changes are proposed in the project which require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;
- 2. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or
- 3. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the Final EIR was certified as complete, shows any of the following: A) the project will have one or more significant effects not discussed in the previous Final EIR; B) significant effects previously examined will be substantially more severe than shown in the Final EIR; C) mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or D) mitigation measures or alternatives which are considerably different from those analyzed in the Final EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Summary of Significant Project Effects and Mitigation Recommended

No changes are proposed for the Final EIR recommended mitigations. The proposal to authorize on-site and off-site farm-based retail sales and the conditions to bring the operation into compliance with the CCLUO is fully consistent with the impacts identified and adequately mitigated in the Final EIR. The project as conditioned to implement responsible agency recommendations, and results in no significantly adverse environmental effects beyond those identified in the Final EIR.

In reviewing the application for consistency with the adopted EIR the County considered the following information and studies, among other documents:

- Addendum to the Cultivation and Operations Plan for Alchemy Atelier, LLC, received April 29, 2021.
- Revised Site Plan for Alchemy Atelier, LLC, received April 29, 2021.

Other CEQA Considerations

Staff suggests no changes for the revised project.

EXPLANATION OF DECISION NOT TO PREPARE A SUPPLEMENTAL MITIGATED NEGATIVE DECLARATION OR ENVIRONMENTAL IMPACT REPORT

See **Purpose** statement above.

In every impact category analyzed in this review, the projected consequences of the current project proposal are either the same or less than significantly increased than the initial project for which the EIR was adopted. Based upon this review, the following findings are supported:

FINDINGS

- 1. The proposed project will permit a new cannabis operation and bring the operation into compliance with county and state requirements intended to adequately mitigate environmental impacts.
- 2. The circumstances under which the project was approved have not changed substantially. There are no new significant environmental effects and no substantial increases in the severity of previously identified effects.
- 3. For the current proposed project, there has been no new information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was adopted as complete.

CONCLUSION

Based on these findings it is concluded that an Addendum to the previous Final EIR is appropriate to address the requirements under CEQA for the current project proposal. All of the findings, mitigation requirements, and mitigation and monitoring program of the EIR, remain in full force and effect on the original project.