



COUNTY OF HUMBOLDT

For the meeting of: 2/6/2025

File #: 25-194

To: Planning Commission

From: Planning and Building Department

Agenda Section: Public Hearing

SUBJECT:

Humboldt Exotics, LLC: Zone Reclassification for an Indoor Cultivation Q-Qualified Combining Zone and Text Amendment to the Commercial Cannabis Land Use Ordinance for Business Park (MB) Zones. Assessor Parcel Numbers: 223-311-010, 223-311-011, 223-311-012, 223-311-043, 223-311-035, 223-311-030, and 223-311-029
Record No.: PLN-2023-18206
Redway Area

A zone reclassification to adopt an Indoor Cultivation Q - Qualified Combining Zone affecting seven parcels within the Redway Business Park and an ordinance amendment for a text change to the Commercial Cannabis Land Use Ordinance to allow indoor commercial cannabis cultivation in Business Park (MB) zones in the inland area of the county that are within the Indoor Cultivation Q-Qualified Combining Zone.

RECOMMENDATION(S):

That the Planning Commission:

1. Adopt the resolution (Resolution 25-___), which does the following:
 - a. Finds the Planning Commission has considered the Final Environmental Impact Report for the Commercial Cannabis Land Use Ordinance and the Addendum that was prepared for the Indoor Cultivation Q-Qualified Combining Zone and Text Amendment to the Commercial Cannabis Land Use Ordinance; and
 - b. Finds the proposed project complies with the General Plan and Zoning Ordinance; and
 - c. Finds the proposed project does not reduce the residential density for any parcel below the inventory adopted in the housing element; and
 - d. Recommend the Board of Supervisors approve the rezoning of seven parcels, 223-311-010, 223-311-011, 223-311-012, 223-311-043, 223-311-035, 223-311-030, and 223-311-029

in the Redway Business Park with the Indoor Cultivation Q - Qualified Combining Zone; and

- e. Recommend the Board of Supervisors amend the Commercial Cannabis land use ordinance section 55.3.8.1.2 to allow indoor cultivation in Business Park (MB) zones with the Indoor Cultivation Q - Qualified Combining Zone.

DISCUSSION:

Project Location:

This project is in the Redway area in the Redway Business Park, on properties known as 1881 Barnett Road, 1911 Barnett Road, 1271, Evergreen Road, 1241 Evergreen Road, 1211 Evergreen Road, 1151 Evergreen Road, and 1880 Tunnel Road.

Present General Plan Land Use Designation:

Community Service 2017 General Plan; Density: Unidentified; Slope Stability: Low to High Instability.

Present Zoning:

Business Park (MB) with Design Review (D).

Environmental Review:

An Addendum to a previously adopted Environmental Impact Report has been prepared for consideration per §15164 of the State CEQA Guidelines.

State Appeal:

Project is NOT appealable to the California Coastal Commission.

Major Concerns:

None.

Executive Summary:

A zone reclassification to adopt an Indoor Cultivation Q - Qualified Combining Zone affecting seven parcels within the Redway Business Park. Project also includes an ordinance amendment for a text change to the Commercial Cannabis Land Use Ordinance to allow indoor commercial cannabis cultivation in Business Park (MB) zones in the inland area of the county that are within the Indoor Cultivation Q-Qualified Combining Zone. The Board of Supervisors accepted the Zone Reclassification Petition (PLN-2022-18016) at their April 18, 2023 meeting follow a public hearing.

There are approximately 59 parcels countywide zoned MB with an approximate total of 94 acres. In the inland area, there are 32 parcels zoned MB with an approximate total of 55.26 acres. After receiving public comment on the original reclassification petition, it was determined the most suitable location for this proposal was the Redway Business Park. Therefore, the proposed amendment would not affect all MB zoned parcels, only seven parcels totaling 8.59 acres in the Redway Business Park.

After consultation with the Redway Community Services District, it was determined that the most suitable parcels within the Redway Business Park were those with existing connections that were considered under the District's current water capacity study. Therefore, it was determined that applying a parcel specific Q - Qualified Combining zone with performance standards in conjunction with the text amendment would be the most effective way to allow indoor commercial cannabis cultivation in MB zones. The amendments would not affect in any way the other eligible uses on the identified parcels. The amendments would only enable the possibility of indoor commercial cannabis cultivation. The total maximum possible amount of indoor cultivation that could potentially be allowed is 2,500 square feet per parcel or 17,500 square feet total (0.40 acres).

Distribution, offsite processing, enclosed nurseries, community propagation centers, and manufacturing are currently allowed in MB zones under the CCLUO. Cultivation in MB zones was previously authorized by the Commercial Medical Marijuana Land Use Ordinance (CMMLUO). There is no clear legislative history regarding why MB zones were not included as eligible cultivation sites in the transition from the CMMLUO to the CCLUO. Anecdotal evidence suggests that concerns about odor impacts for adjacent tenants in business parks may have been a factor in the decision to not include MB zones as eligible for cultivation under the CCLUO. As part of the Board's deliberation of the petition, staff were directed to consider whether additional performance standards regarding odor control should be included as part of the review of the text amendment application. The proposed Indoor Cultivation Q - Qualified Combining zones includes several performance standards related to water, energy, and odor control.

To approve the application for the text amendment and zone reclassification, the following findings must be made:

- The proposed amendment is in the public interest; and
- The proposed amendment is consistent with the General Plan; and
- The proposed amendment does not reduce the residential density for any parcel below the inventory adopted in the housing element.

Public Interest:

As part of the Board of Supervisors Approval of the Zone Reclassification Petition on April 18, 2023 the Board found there was public interest because:

- There is a market for indoor cannabis and proving appropriate locations for indoor cannabis cultivation will create opportunities without negative environmental effects.
- Access to business parks is from paved roads meeting category 4 standards. Allowing cultivation in MB zones would not result in a substantive change to the number of potential vehicles trips occurring because cultivation is like other allowed cannabis and noncannabis uses regarding the number of employees.

- Business parks are also typically already served with adequate PGE power connections.
- Enabling additional location options for cannabis cultivation would likely help cultivators adapt to evolving market conditions.

General Plan Consistency:

The zone reclassification and text amendment are consistent with the General Plan because:

- For the Commercial Services (CS) use type that applies to all seven parcels, indoor cultivation would fall under a similar compatible use (Land Use Element Table 4-C, pg. 4-3). Indoor cultivation could be considered a similar compatible use because it has fewer impacts than heavy commercial uses, which are allowed under the CS designation. Heavy commercial uses include activities such as transfer, storage, or processing of used, scrap or waste materials, including automobile wrecking, the sales, storage of building materials, construction and agricultural equipment, kennels, and animal hospitals.
- Indoor cultivation would not impact nor be impacted by adjacent heavy commercial uses.
- Other cannabis uses such as nurseries are considered compatible with the CS designation.

Residential Density:

The proposed amendment does not reduce the residential density for any parcel below the inventory adopted in the housing element. Allowing indoor cultivation in MB zones subject to the Indoor Cultivation Q - Qualified Combining zone would not affect any current housing inventories nor would change eligibility criteria for housing development currently allowed in MB zones.

Text Amendment:

The Commercial Cannabis Land Use Ordinance (CCLUO) - Inland Zone Ordinance No. 2599 is proposed to be amended as follows [changes are underlined]:

55.4.8.1.2. Within those zones specified under 55.4.6.2.1 (C-3, ML - MH, and U), MB with the Indoor Cultivation Q - Qualified Combining Zone, and C-2 as part of a microbusiness provided all cannabis activities occur within a building that is two-stories or less in height, cultivation area is limited to 2,500 square feet, and where the cultivation and cannabis activities are in scale with the surrounding community.

Indoor Cultivation Q - Qualified Combining Zone Performance Standards:

Per section 314-32.1, the Qualified Combining Zone is intended to be combined with any principal zone in situations where sound and orderly planning indicate that specified principal permitted uses or conditional uses otherwise allowed under the principal zone may be limited or not be allowed with or without a Use Permit, or development standards/restrictions can be added, deleted or modified to implement the General Plan or to implement CEQA mitigation or to limit additional entitlements. The qualified uses shall be specified in the ordinance applying the Q Zone to specific property.

In addition to the standards and requirements of the CCLUO, indoor commercial cannabis cultivation subject to the Indoor Cultivation Q - Qualified Combining Zone would also be subject to the following performance standards:

- a. Operators of indoor cannabis cultivation intending to use municipal water shall obtain a will-serve letter from the Redway Community Services District (RCSD).
- b. Water sourced from the RCSD for indoor cannabis cultivation shall not exceed 91,250 gallons (12,200 cubic feet) annually.
- c. To be able to demonstrate enough onsite water storage in the event of an RCSD Curtailment Order, operators of indoor cannabis cultivation shall demonstrate enough onsite water storage to forebear from the use of RCSD water for indoor cannabis cultivation from June 1st through October 31st.
- d. Water sourced from RCSD for cannabis cultivation irrigation shall be separately metered from other onsite property uses and activities.
- e. Operators of indoor cannabis cultivation who source water from the RCSD shall submit a Water Use and Storage Plan with their application to the County that includes the following:
 - i. Description of all existing or proposed onsite activities, businesses, etc., as applicable.
 - ii. Description of current service(s) and/or agreements with the RCSD.
 - iii. Description of typical monthly water usage of existing onsite activities, as applicable.
 - iv. Description of all water sources and projected monthly water demand for the indoor cannabis cultivation irrigation.
 - v. Projected monthly water demand for employees associated with proposed indoor cannabis cultivation (e.g., showers, bathrooms, etc.).
 - vi. Volume and type of proposed water storage.
 - vii. Description of how these Special Restrictions and Performance Standards will be met.
- f. In addition to the above limits, operators of indoor cannabis cultivation shall follow all water restrictions, limitations, curtailment orders, and conservation measures set by RCSD, including but not limited to the RCSD Commercial Agricultural Policy when formally adopted, revised, or amended by the RCSD.
- g. Operators of indoor cannabis cultivation using grid power shall demonstrate that the existing onsite power from Pacific Gas and Electric Company (PGE) is adequate for the proposed operation.
- h. Indoor cultivation occurring within the Indoor Cultivation Q - Qualified Combining Zone shall employ mechanical ventilation controls in concert with carbon filtration or other equivalent or superior method(s) minimizing the odor of cannabis outside of the structure. Ventilation controls must also regulate odor inside the structure if the structure has multiple units not occupied by indoor cultivation.

Environmental Review:

An environmental review for this project was conducted and based on this analysis, staff concludes that all aspects of the project have been considered in a previous Final Environmental Impact Report (EIR) that was adopted for the CCLUO. Staff has prepared an addendum (**Attachment 3**) to the EIR for consideration by the Planning Commission.

OTHER AGENCY INVOLVEMENT:

The project was referred to responsible agencies and all responding agencies have either not responded or recommended approval (**Attachment 5**).

ALTERNATIVES TO STAFF RECOMMENDATIONS:

1. The Planning Commission could elect to recommend additional or revised development standards. The Planning Commission could also choose to recommend to deny the zone reclassification and text amendment if unable to make all the required findings.

ATTACHMENTS:

1. Draft Resolution
 - A. Q Zone Ordinance
 - B. CCLUO Text Amendment
2. Location Map
3. CEQA Addendum
4. Applicant's Evidence in Support of the Required Findings
 - A. Letter of Support from Redway Community Services District
 - B. Landowner Consent for Activities
5. Referral Agency Comments and Recommendations
 - A. Pacific Gas and Electric
6. Watershed Map

APPLICANT AND OWNER INFORMATION:

Applicant:

Evergreen Exotics, LLC
Jesse F Jefferies
1911 Barnett Road
Redway CA 95560

Owner:

223-311-010

Wallan Family Living Trust

PO Box 245

Miranda CA 95553

223-311-011

Goat Barn LLC Co

3317 Campton Heights Drive

Fortuna CA 95540

223-311-012

Cindi Oney

371 Old Briceland Road

Garberville CA 95542

223-311-043

Douglas and Stephanie Bliss

PO Box 744

Albion CA 95410

223-311-035

Redway Holdings LLC Co

1117 Samoa Blvd

Arcata CA 95521

223-311-030

Charley Bertain and Cindi Oney

371 Old Briceland Road

Garberville CA 95542

223-311-029

Jesse Jeffries and TVH Enterprises LLC Co

1575 Sprowl Creek Road

Garberville CA 95542

Agent:

NorthPoint Consulting Group, Inc

1117 Samoa Blvd

Arcata CA 95521

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Please contact Steven A. Santos, Senior Planner, at sasantos@co.humboldt.ca.us or (707)268-3749 for questions about this scheduled item.