



COUNTY OF HUMBOLDT
PLANNING AND BUILDING DEPARTMENT
CURRENT PLANNING DIVISION

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Phone: (707) 445-7541 Fax: (707) 268-3792

Hearing Date: **March 3, 2022**

To: Humboldt County Planning Commission

From: John H. Ford, Director of Planning and Building Department

Subject: **BCRD LLC Conditional Use Permit**
Application Number PLN-12765-CUP
Assessor's Parcel Number (APN) 314-224-003
Butte Creek Road, Kneeland area, CA

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Please contact David J. R. Mack, AICP, Project Manager/Senior Planner (Harris & Associates) at 831-320-0413 or by email at david.mack@weareharris.com , if you have any questions about the scheduled public hearing item.

AGENDA ITEM TRANSMITTAL

| Hearing Date | Subject | Contact |
|---------------|------------------------|------------------|
| March 3, 2022 | Conditional Use Permit | David Mack, AICP |

Project Description: BCRD LLC ("Applicant/Owner") seeks approval for a Conditional Use Permit to permit a maximum of 18,283 square feet (SF) of existing cannabis cultivation, consisting of 5,323 SF outdoor cultivation and 12,960 SF mixed light cultivation. A total of 4,500 SF of immature/nursery space is requested for approval for propagation.

Irrigation water is sourced from an existing groundwater well (Permit No. 17/18-1659 [10 gpm]). The applicant has submitted a letter from Fisch Drilling (David Fisch), dated January 11, 2022, which concludes that *"the well is completed in the Franciscan Formation, drilled into a perched bedrock with no hydraulic connection to any surface water or any part of a larger shallow homogeneous aquifer"*. Annual water use is estimated at 187,500 gallons (10.25 gallons/SF). Total water storage is 41,020 gallons in seventeen (17) poly tanks: eleven (11) 2,600-gallon tanks; two (2) 2,500-gallon tanks; one (1) 1,320-gallon tank; one (1) 1,500-gallon tank; one (1) 1,600-gallon tank; and one (1) 3,000-gallon tank.

An 1,800-SF commercial structure is proposed to be built to support onsite processing. Until the structure is permitted and constructed, processing will occur off-site. The site will be managed by up to four (4) full-time employees with up to three (3) additional employees during the peak season(s).

Electricity is provided by a 2.5kw solar array with two (2) 6000kw inverters and 23kw of battery storage. The solar array is attached to a trailer and can be moved to power the well pump, and auxiliary lights for the nursery. A backup diesel generator (MQ Whisperwatt 2500) is onsite and used when required if energy needs exceed the solar input.

Project Location: The project is located along Butte Creek Road, approximately 8 miles southeast of the unincorporated Kneeland area, in eastern Humboldt County.

Present Plan Land Use Designations: Timber (T) and Agricultural Grazing (AG), Slope Stability: High Instability (3).

Present Zoning: Timber Production Zone (TPZ)

Record Number: PLN-12765-CUP

Assessor's Parcel Number: 314-224-003

Applicant

BCRD LLC
c/o James Bochert
2845 32nd Street
Sacramento, CA 95817
(505) 238-3559
james@leafca.com

Owner

JNMWM LLC
c/o James Bochert
2845 32nd Street
Sacramento, CA 95817

Agents

Margro Advisors
c/o Suzanne Maese
117 Wildwood Ave
Rio Dell, CA 95562
(707) 500-2420
info@margroadvisors.com

Environmental Review: An Addendum to a previously adopted Mitigated Negative Declaration has been prepared for consideration per §15164 of the State CEQA Guidelines.

State Appeal Status: Project is NOT appealable to the California Coastal Commission

Major Issues: *The applicant has requested a propagation/nursery area of 4,500 SF (24.6% of the 18,283 SF cultivation area) which is above the 10% threshold being recommended by Humboldt County. To comply with the 10% threshold, the applicant would be limited to 1,829 SF of nursery area (Condition 17).*

DNJ, LLC.

Record Number: PLN-12765-CUP

Assessor's Parcel Number: 314-224-003

Recommended 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:

Adopt the Resolution to:

1. *Find that the Commission has considered the Addendum to the adopted Mitigated Negative Declaration for the Commercial Medical Land Use Ordinance (CCMLUO), as described by Section §15164 of the State CEQA Guidelines;*
2. *Make the required findings for approval of the Special Use Permit; and*
3. *Approve the BCRD LLC (12765) Conditional Use Permit as recommended by staff subject to the recommended conditions.*

Executive Summary: BCRD LLC ("Applicant/Owner") seeks approval for a Conditional Use Permit to permit a maximum of 18,283 square feet (SF) of existing cannabis cultivation, consisting of 5,323 SF outdoor cultivation and 12,960 SF mixed light cultivation. A total of 4,500 SF of immature/nursery space is requested for approval for propagation. An 1,800-SF commercial structure is proposed to be built to support onsite processing. Until the structure is permitted and constructed, processing will occur off-site. The medical cannabis permit application is in accordance with Humboldt County Code Section 314-55.4 of Chapter 4 of Division I of Title III, Commercial Medical Marijuana Land Use Ordinance (CMMLUO), Zoning Clearance Certificate for Interim Permit (IP), and the Cultivation Area Verification (CAV) developed for the site.

The parcel, APN 314-224-003, measures approximately 169 acres in size. The parcel is zoned as Timber Production Zone (TPZ) and is described in the Humboldt County General Plan as Timber (T) and Agricultural Grazing (AG). The site will be managed by up to four (4) full-time employees with up to three (3) additional employees during the peak season(s). Electricity is provided by a 2.5kw solar array with two (2) 6000kw inverters and 23kw of battery storage. The solar array is attached to a trailer and can be moved to power the well pump, and auxiliary lights for the nursery. A backup diesel generator (MQ Whisperwatt 2500) is onsite and used when required or if energy needs exceed the solar input.

Consistency with Humboldt County Board of Supervisors Resolution No. 18-43

Planning staff determined 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. The project site is located in the Van Duzen Planning Watershed, which under Resolution 18-43 is limited to 425 permits and 146 acres of cultivation. With the approval of this project the total approved permits in this Planning Watershed would be 110 permits and the total approved acres would be 37.63 acres of cultivation.

Environmental review for this project was conducted and based on the results of that analysis, staff finds that all aspects of the project have been considered in a previously adopted Mitigated Negative Declaration that was adopted for the Commercial Medical Marijuana Land Use Ordinance and has prepared an addendum to this document for consideration by the Planning Commission (See Attachment 2 for more information).

Based on a review of Planning Division reference sources and comments from all involved referral agencies, Planning staff believes that the applicant has submitted evidence in support of making all of the required findings for approval of the Conditional Use Permit (CUP) and Special Permit (SP).

Water Resources

Irrigation water is sourced from an existing groundwater well (Permit No. 17/18-1659 [10 gpm]). The applicant has submitted a letter from Fisch Drilling (David Fisch), dated January 11, 2022, which concludes that "the well is completed in the Franciscan Formation, drilled into a perched bedrock with no hydraulic connection to any surface water or any part of a larger shallow homogeneous aquifer". Annual water use is estimated at 187,500 gallons (10.25 gallons/SF). Total water storage is 41,020 gallons in seventeen (17) poly tanks: eleven (11) 2,600-gallon tanks; two (2) 2,500-gallon tanks; one (1) 1,320-gallon tank; one (1) 1,500-gallon tank; one (1) 1,600-gallon tank; and one (1) 3,000-gallon tank.

The BCRD LLC, property is enrolled with the North Coast Regional Water Quality Control Board (NCRWQCB), with an enrollment identification number (WDID No. 1_12CC418048 / 1B16936CHUM) for coverage as a Tier 1 Low Risk Site for Order WQ 2019-0001-DWQ.

Biological Resources

Prior existing cultivation occurred within a Streamside Management Area (SMA); therefore, a *Botanical and Aquatic Resources Survey* was prepared in July 2019 by Kyle S. Wear, on behalf of Margro Advisors (project agent) to analyze potential environmental impacts. The survey determined that relocation of the cultivation areas outside of the SMA would be environmentally superior; therefore, cultivation areas are proposed for relocation (as shown on the current site plan attached to this Staff Report). The proposed relocation areas are located outside of the SMA on a dry ridge with no sensitive botanical or aquatic resources. The relocation areas consists of upland grassland vegetation dominated by non-native grasses and other herbaceous plants. There are no indicators of hydric soil, wetland hydrology, watercourses, or other non-wetland waters. All prior SMA cultivation areas have been restored with native grasses/seeds, and no further action(s) were recommended. In conclusion, project activities are not expected to produce any adverse or cumulative effects to any special status species or habitat. Therefore, impacts to biological resources are considered low and unlikely.

Tribal Cultural Resource Coordination

A database search for known cultural resources was requested of the Northwest Information Center (NWIC) in October 2018. Although the NWIC had no record of any previous cultural resources for the project area, NWIC recommended a survey be conducted by a qualified archaeologist to ensure that the project area does not contain evidence of any unrecorded archaeological sites. The tribal representative from the local tribe (Bear River Band of the Rohnerville Rancheria) also requested a formal survey of the site be completed. Therefore, a "*Cultural Resource Investigation Report for the BCRD LLC Commercial Cultivation Permit (APN: 314-224-003)*" was completed in March 2021 by Roscoe and Associates. The report concluded that there are "no resources within any of the existing cultivation areas." Although the survey identified one chert flake and one structural foundation within 600 feet of a cultivation area, neither qualify as an historical resource and neither is eligible for the California Register of Historical Resources. The report also concludes that singular chert flake is not diagnostic of any particular cultural or temporal association, and is not considered to be associated with an archaeological deposit or any other feature. The report does not recommend any action beyond the inclusion of inadvertent discovery protocol in the event any historical artifacts or human remains are encountered during onsite cultivation activities (**Condition 13**).

Access

The project is located along Butte Creek Road, approximately 8 miles southeast of the unincorporated Kneeland area, in eastern Humboldt County (APN: 314-224-003). The Humboldt County Department of Public Works (DPW) reviewed the project and recommended conditions of approval pertaining to proximity to farms (**Condition 14**) and driveway/private road intersections (**Condition 15**). A Road Evaluation report dated September 2018 was submitted to DPW (but not stamped received by Planning), certifying that the roadway can accommodate the cumulative traffic increase from this project and all known cannabis projects identified. The Department requires all recommendations from the engineer be completed (**Condition 16**).

CEQA

Environmental review for this project was conducted in October 2021. Based on the results of that analysis, staff finds that all aspects of the project have been considered in the Mitigated Negative Declaration (MND) that was adopted for the CMMLUO and thus has prepared an addendum to the MND for consideration by the Planning Commission (See **Attachment 2** for more information).

NURSERY/PROPOGATION AREA

The applicant has requested a propagation/nursery area of 4,500 SF (24.6% of the 18,283 SF cultivation area), which is above the 10% threshold being recommended by Humboldt County. To comply with the 10% threshold, the applicant would be limited to 1,829 SF of nursery area. Therefore, the project has been conditioned to comply with the 10% threshold (**Condition 17**).

RECOMMENDATION:

Staff recommends that the Planning Commission describe the application as a part of the agenda; survey the audience to see if any person would like to discuss the application; if no one requests discussion, make all the required findings based on the evidence in the record; and approve the application subject to the recommended conditions.

ALTERNATIVES:

The Planning Commission could elect to 1) not approve the project, or 2) require the applicant to submit further evidence or modify the project. If modifications may cause potentially significant impacts, additional CEQA analysis and findings may be required. These alternatives could be implemented if the Commission is unable to make all of the required findings. Planning staff has stated that the required findings in support of the proposal have been made. Consequently, Planning staff does not recommend further consideration of any alternative.

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 potential impacts. As the lead agency, the Department has determined that the project is consistent with the MND for the CMMLUO as stated above. However, the Commission may reach a different conclusion. In which case, the Commission should continue the item to a future date at least two months later to provide staff adequate time to complete further environmental review.

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

Resolution Number 22-

**Record Number: PLN-12765-CUP
Assessor's Parcel Number: 314-224-003**

Resolution by the Planning Commission of the County of Humboldt certifying compliance with the California Environmental Quality Act and conditionally approving the BCRD LLC (12765) Conditional Use Permit.

WHEREAS, BCRD LLC, submitted an application for a Conditional Use Permit to permit a maximum of 18,283 square feet (SF) of existing cannabis cultivation, consisting of 5,323 SF outdoor cultivation and 12,960 SF mixed light cultivation and a total of 1,829 SF of immature/nursery space for propagation; and

WHEREAS, the County as lead agency, prepared an Addendum to the 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 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; and

WHEREAS, the Humboldt County Planning Commission held a duly-noticed public hearing on **March 3, 2022**, 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:** The application is for a Conditional Use Permit to permit a maximum of 18,283 square feet (SF) of existing cannabis cultivation, consisting of 5,323 SF outdoor cultivation and 12,960 SF mixed light cultivation and a total of 1,820 SF of immature/nursery space for propagation. Irrigation water is sourced from an existing groundwater well (Permit No. 17/18-1659 [10 gpm]). Total annual water use is estimated at 187,500 gallons (10.25 gallons/SF). Total water storage is 41,020 gallons in seventeen (17) poly tanks: eleven (11) 2,600-gallon tanks; two (2) 2,500-gallon tanks; one (1) 1,320-gallon tank; one (1) 1,500-gallon tank; one (1) 1,600-gallon tank; and one (1) 3,000-gallon tank. An 1,800-SF commercial structure is proposed to be built to support onsite processing. Electricity is provided by a 2.5kw solar array with two (2) 6000kw inverters and 23kw of battery storage.

EVIDENCE: Project File: PLN-12765-CUP

- 2. FINDING:** **CEQA.** The requirements of the California Environmental Quality Act have been met. The Humboldt County Planning Commission has considered the Addendum to and the 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 to the MND prepared for the proposed project in compliance with CEQA.
- b) 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.

- c) Prior existing cultivation occurred within a Streamside Management Area (SMA); therefore, a Botanical and Aquatic Resources Survey was prepared in July 2019 by Kyle S. Wear, on behalf of Margro Advisors (project agent) to analyze potential environmental impacts. The survey determined that relocation of the cultivation areas outside of the SMA would be environmentally superior; therefore, cultivation areas are proposed for relocation (as shown on the current site plan attached to this Staff Report). The proposed relocation areas are located outside of the SMA on a dry ridge with no sensitive botanical or aquatic resources. The relocation areas consists of upland grassland vegetation dominated by non-native grasses and other herbaceous plants. There are no indicators of hydric soil, wetland hydrology, watercourses, or other non-wetland waters. Project activities are not expected to produce any adverse or cumulative effects to any special status species or habitat. Therefore, impacts to biological resources are considered low and unlikely.
- d) The BCRD LLC, property is enrolled with the North Coast Regional Water Quality Control Board (NCRWQCB), with an enrollment identification number (WDID No. 1_12CC418048 / 1B16936CHUM) for coverage as a Tier 1 Low Risk Site for Order WQ 2019-0001-DWQ.
- e) A database search for known cultural resources was requested of the Northwest Information Center (NWIC) in October 2018. Although the NWIC had no record of any previous cultural resources for the project area, NWIC recommended a survey be conducted by a qualified archaeologist to ensure that the project area does not contain evidence of any unrecorded archaeological sites. The tribal representative from the local tribe (Bear River Band of the Rohnerville Rancheria) also requested a formal survey of the site be completed. Therefore, a "Cultural Resource Investigation Report for the BCRD LLC Commercial Cultivation Permit (APN: 314-224-003)" was completed in March 2021 by Roscoe and Associates. The report concluded that there are "no resources within any of the existing cultivation areas." Although the survey identified one chert flake and one structural foundation within 600 feet of a cultivation area, neither qualify as an historical resource and neither is eligible for the California Register of Historical Resources. The report also concludes that singular chert flake is not diagnostic of any particular cultural or temporal association, and is not considered to be associated with an archaeological deposit or any other feature. The report does not recommend any action beyond the inclusion of inadvertent discovery protocol in the event any historical artifacts or human remains are encountered during onsite cultivation activities (**Condition 13**).

FINDINGS FOR CONDITIONAL USE PERMIT

3. FINDING

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

- EVIDENCE** a) General agriculture is a use type permitted in the Timberland (T) 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 Timberland designation.
- EVIDENCE** a) Timberland is used to classify land that is primarily suitable for the growing, harvesting, and production of timber. General Agriculture and Intensive Agricultural are allowed uses within the T classification; therefore, the proposed cultivation use is consistent with this classification.
- b) Humboldt County Code Section 314-55.4 allows cultivation for up to 43,560 SF of existing mixed light cannabis on a parcel over 5 acres, subject to approval of a Conditional Use Permit and a determination that the cultivation was in existence prior to January 1, 2016. The application for a total of 18,283 SF of cannabis cultivation area on a 169-acre parcel is consistent with the Humboldt County Code 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 Timber Production Zone (TPZ) (HCC 314-55.4.8.2.2).
- b) The parcel was created in compliance with all applicable state and local subdivision regulations, and as described in Grant Deed Document 2021-006866, dated March 26, 2021.
- c) Irrigation water is sourced from an existing groundwater well (Permit No. 17/18-1659 [10 gpm]). The applicant has submitted a letter from Fisch Drilling (David Fisch), dated January 11, 2022, which concludes that *"the well is completed in the Franciscan Formation, drilled into a perched bedrock with no hydraulic connection to any surface water or any part of a larger shallow homogeneous aquifer"*.
- d) Annual water use is estimated at 187,500 gallons (10.25 gallons/SF). Total water storage is 41,020 gallons in seventeen (17) poly tanks: eleven (11) 2,600-gallon tanks; two (2) 2,500-gallon tanks; one (1) 1,320-gallon tank; one (1) 1,500-gallon tank; one (1) 1,600-gallon tank; and one (1) 3,000-gallon tank.
- e) Electricity is provided by a 2.5kw solar array with two (2) 6000kw inverters and 23kw of battery storage. A backup diesel generator (MQ Whisperwatt 2500) is onsite and used when required or if energy needs exceed the solar input
- f) The slope of the land where cannabis will be cultivated is less than 15%.
- g) The location of the cultivation complies with all setbacks required in Section 314-55.4.11.d. It is more than 30 feet from any property line, more than 300 feet from any offsite residence, and more than 600 feet from any school,

church, or Tribal Cultural Resource.

6. FINDING

The cultivation of 18,283 SF of cannabis and the conditions under which it may be operated and maintained will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity.

EVIDENCE

- a) The project is located along Butte Creek Road, approximately 8 miles southeast of the Kneeland area, in eastern Humboldt County (APN: 314-224-003). The Humboldt County Department of Public Works (DPW) reviewed the project and recommended conditions of approval pertaining to proximity to farms (**Condition 14**) and driveway/private road intersections (**Condition 15**). A Road Evaluation report dated September 2018 was submitted to DPW (but not stamped received by Planning), certifying that the roadway can accommodate the cumulative traffic increase from this project and all known cannabis projects identified. The Department requires all recommendations from the engineer be completed (**Condition 16**).
- b) The proposed cannabis cultivation 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 and the other sites, which have been approved or are in the application process, will not change the character of the area due to the large parcel sizes in the area.
- c) The location of the proposed cannabis cultivation is more than 300 feet from the nearest offsite residence.
- d) Irrigation water is sourced from an existing groundwater well (Permit No. 17/18-1659 [10 gpm]). The applicant has submitted a letter from Fisch Drilling (David Fisch), dated January 11, 2022, which concludes that *"the well is completed in the Franciscan Formation, drilled into a perched bedrock with no hydraulic connection to any surface water or any part of a larger shallow homogeneous aquifer"*.
- e) Annual water use is estimated at 187,500 gallons (10.25 gallons/SF).
- f) Total water storage is 41,020 gallons in seventeen (17) poly tanks: eleven (11) 2,600-gallon tanks; two (2) 2,500-gallon tanks; one (1) 1,320-gallon tank; one (1) 1,500-gallon tank; one (1) 1,600-gallon tank; and one (1) 3,000-gallon tank.

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

The parcel currently does not contain a residential unit. The approval of cannabis cultivation on this parcel will not conflict with the potential operation or use of residential units on site.

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

- a) Planning staff determined 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. The project site is located in the Van Duzen

Planning Watershed, which under Resolution 18-43 is limited to 730 permits and 251 acres of cultivation. With the approval of this project the total approved permits in this Planning Watershed would be 110 permits and the total approved acres would be 37.63 acres of cultivation.

DECISION

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

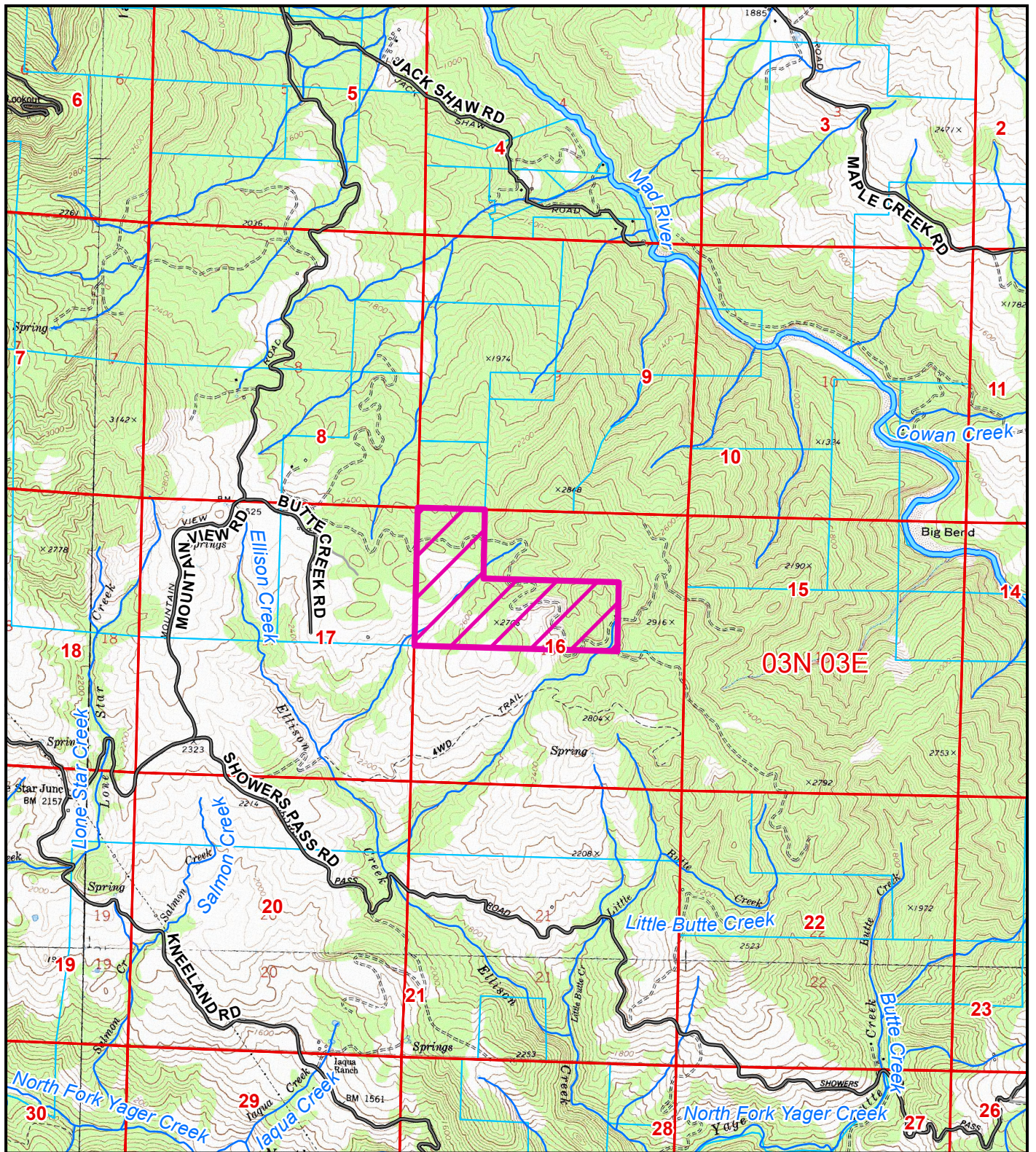
- Adopt the findings set forth in this resolution; and
- Conditionally approve the Conditional Use Permits (PLN-12765-CUP) for BCRD LLC., based upon the Findings and Evidence and subject to the conditions of approval attached hereto as Attachment 1 and incorporated herein by reference; and
- Adopted after review and consideration of all the evidence on **March 3, 2022**.

The motion was made by COMMISSIONER _____ and second by COMMISSIONER _____ and the following ROLL CALL vote:

AYES: COMMISSIONERS:
NOES: COMMISSIONERS:
ABSENT: COMMISSIONERS:
ABSTAIN: COMMISSIONERS:
DECISION:

I, John 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 Ford, Director
Planning and Building Department



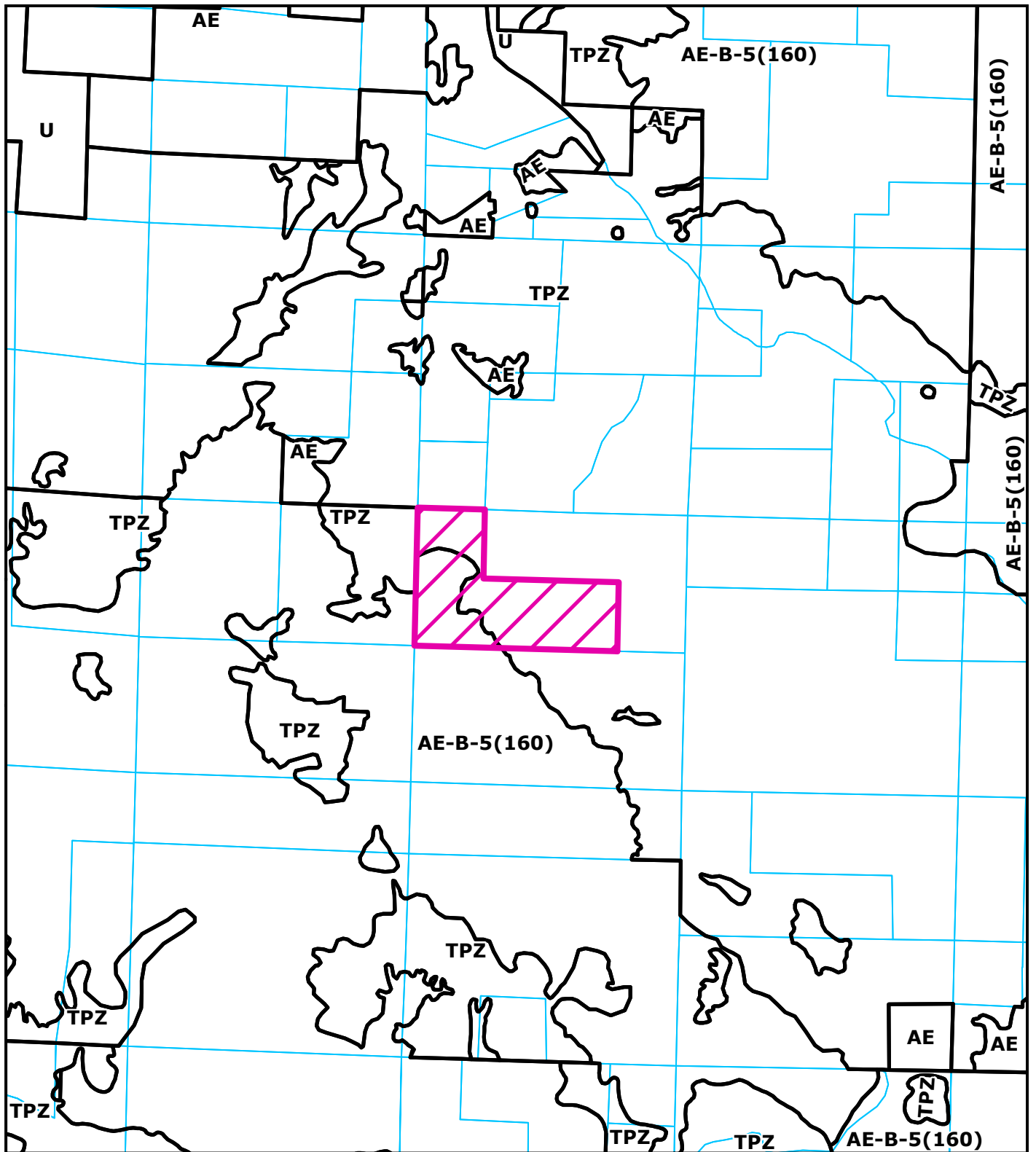
Project Area =



TOPO MAP
PROPOSED DNJ LLC
KNEELAND AREA
CUP-16-830; SP-16-637
APN: 314-224-003-000
T03N R03E S16 HB&M (MAD RIVER BUTTES)

This map is intended for display purposes and should not be used for precise measurement or navigation. Data has not been completely checked for accuracy.

0 0.275 0.55 1.1
 Miles



Project Area = 

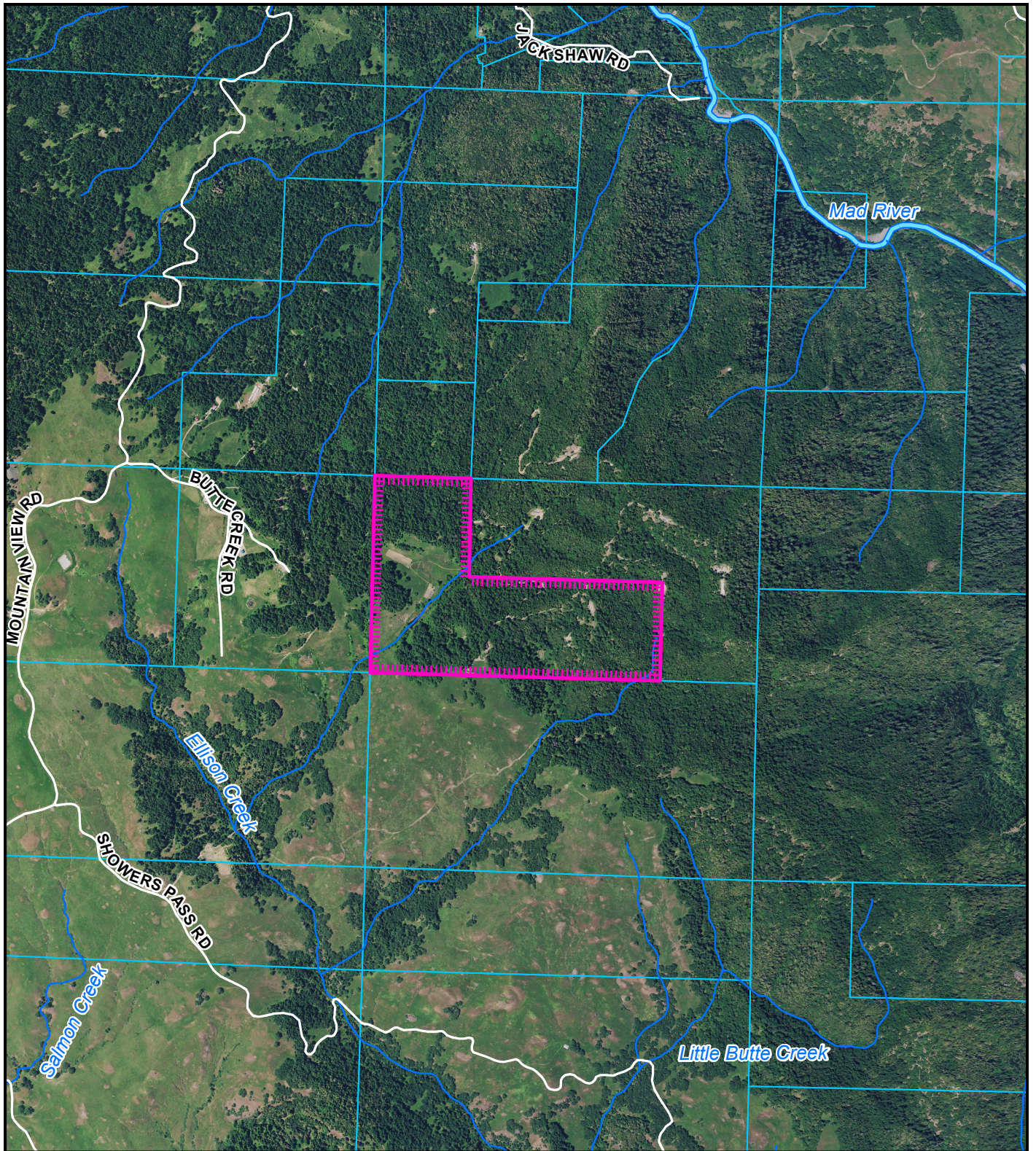
**ZONING MAP
PROPOSED DNJ LLC
KNEELAND AREA
CUP-16-830; SP-16-637
APN: 314-224-003-000**

T03N R03E S16 HB&M (MAD RIVER BUTTES)

This map is intended for display purposes and should not be used for precise measurement or navigation. Data has not been completely checked for accuracy.

0 0.275 0.55 1.1 Miles

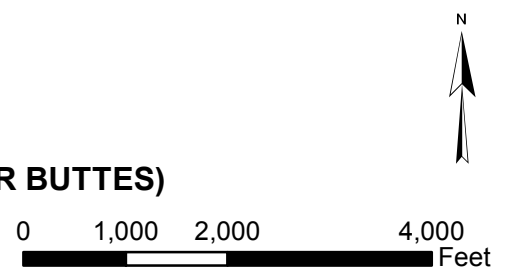


Project Area = 

**AERIAL MAP
PROPOSED DNJ LLC
KNEELAND AREA
CUP-16-830; SP-16-637
APN: 314-224-003-000
T03N R03E S16 HB&M (MAD RIVER BUTTES)**

This map is intended for display purposes and should not be used for precise measurement or navigation. Data has not been completely checked for accuracy.



PROJECT INFORMATION

APPLICANT:
DNJ LLC
SITE ADDRESS:
BUTTE CREEK RD., KNEELAND, CA 95549
APN 314-224-003

LEGEND:

EXISTING SURFACE DRAINAGE
EXISTING PROPERTY LINE
600 SQUARE FEET AROUND CULTIVATION SITES

ABBREVIATIONS:

<E> EXISTING
<P> PROPOSED
CL CENTER LINE
P/L PROPERTY LINE
EP EDGE OF PAVEMENT
R/W RIGHT OF WAY
EL ELEVATION
FIN. FINISHED
F.F. FINISHED FLOOR
SQ. FT. SQUARE FEET
TYP. TYPICAL

DIRECTIONS TO SITE:

—HEAD NORTH ON OLD ARCATTA RD. TOWARDS ARCATTA
—TURN RIGHT ON FRESHWATER RD.
—TURN LEFT ON KNEELAND RD.
—TURN SLIGHT LEFT TO MOUNTAIN VIEW RD.
—TURN LEFT ON BUTTE CREEK RD.
—TURN RIGHT TO STAY ON BUTTE CREEK RD.

NOTES:

NO SCHOOLS, SCHOOL BUS STOPS, PLACES OF WORSHIP, PUBLIC PARKS, TRIBAL CULTURAL RESOURCES OR OFF-SITE RESIDENCES WITHIN 500 SQUARE FEET OF ANY ON-SITE CULTIVATION AREAS.
PROPERTY LINES AND EASEMENTS FROM PRELIMINARY TITLE REPORT DATED MAY 23, 2017, LOCATIONS AND DIMENSIONS SHOWN ON SITE PLAN ARE APPROXIMATE AND DERIVED FROM GOOGLE EARTH, NO SURVEY WAS PERFORMED BY PACIFIC AFFILIATES.
DATES SHOWN ON SITE PLAN ARE APPROXIMATE AND WERE OBTAINED FROM HISTORICAL GOOGLE EARTH IMAGERY.

STRUCTURES:

| STRUCTURE | YEAR | TOTAL AREA (SF) |
|------------------|------|-----------------|
| GH 1-3 (NURSERY) | 2014 | 1,950 |
| HOOPHOUSE 1 & 2 | 2014 | 2,880 |
| HOOPHOUSE 3 | 2014 | 3,000 |
| HOOPHOUSE 4 | 2015 | 1,068 |
| HOOPHOUSE 5 | 2015 | 3,000 |
| HOOPHOUSE 6 | 2014 | 650 |
| HOOPHOUSE 7 & 8 | 2011 | 2,880 |
| YURT CABIN | 2010 | 452 |
| CABIN | 2012 | 1,800 |
| BARN | 2016 | 740 |

WATER SOURCE:
WELL - yr 2018

WATER STORAGE:

POLY WATER TANKS-
1x 1,320 - yr 2011; 1x 1,500 - yr 2015; 1x 1,600 - yr 2015; 2x 2,500 - yr 2015;
8x 2,600 - yr 2015; 3x 2,600 - yr 2011; 1x 3,000 - yr 2012

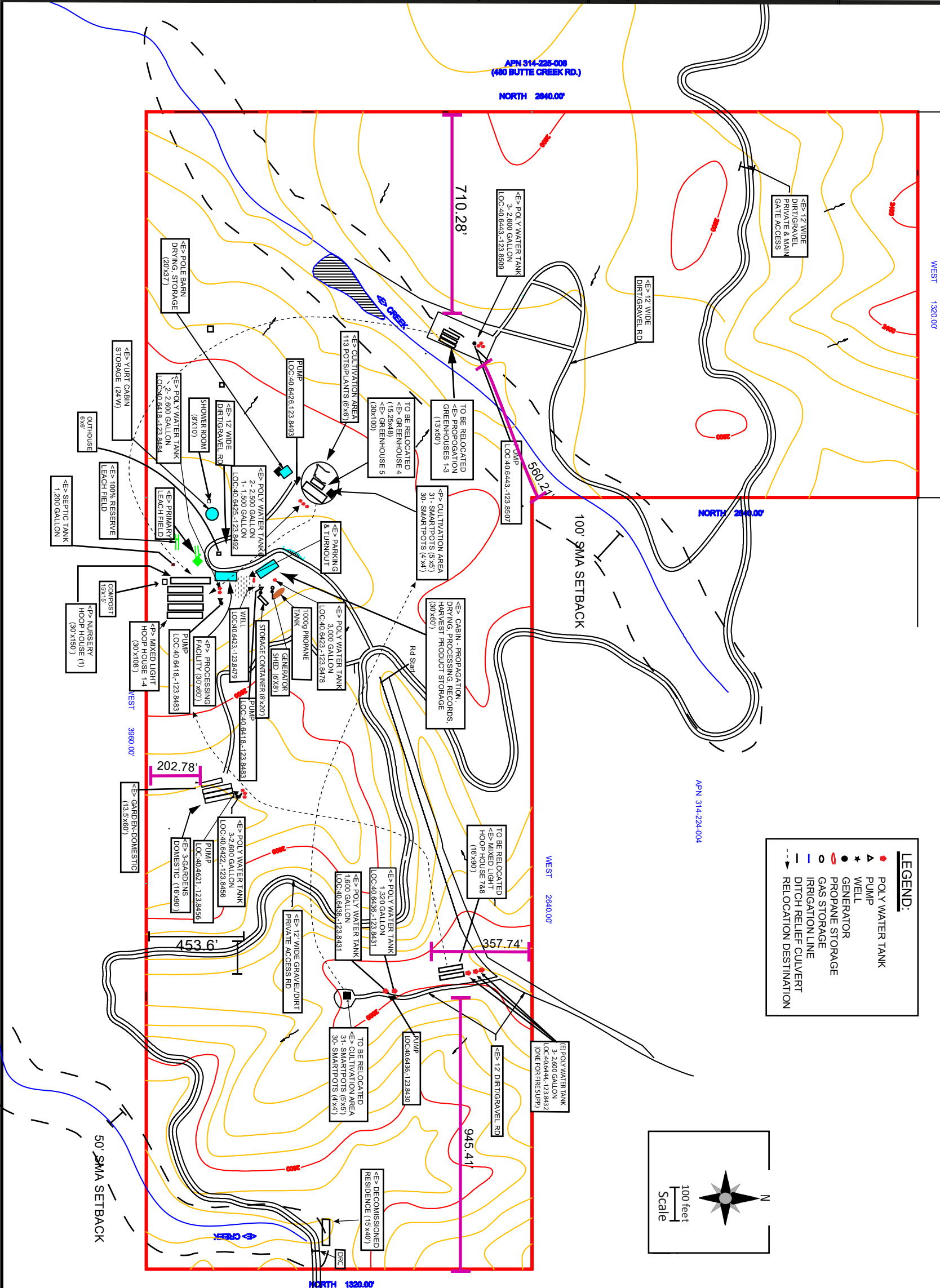
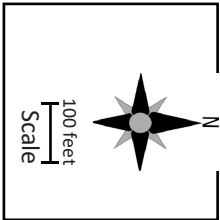
PROPOSED PLAN

APN 314-222-002
APN 314-223-004
APN 314-223-007

| MIXED LIGHT CULTIVATION | PROPAGATION |
|---|--|
| (P) HOOP HOUSE 1-4 (30'x108') =12,960 SQ. FT OUTDOOR CULTIVATION | (P) HOOP HOUSE (1) (30'x150') (E) CABIN (1) (30'x60') |
| SMARTPOTS/PLANTS 113 (6'x6') = 4,068 SQ. FT SMARTPOTS/ PLANTS 31 (5'x5') = 775 SQ. FT SMARTPOTS/ PLANTS 30 (4'x4') = 480 SQ. FT | |
| TOTAL CULTIVATION = +/- 18,283 SQ. FT | |

LEGEND:

- POLY WATER TANK
- PUMP
- WELL
- GENERATOR
- PROPANE STORAGE
- GAS STORAGE
- IRRIGATION LINE
- DITCH RELIEF CULVERT
- RELOCATION DESTINATION



SITE PLAN

DNJ LLC
APN 314-224-003

PACIFIC AFFILIATES
A CONSULTING ENGINEERING GROUP
990 W. WATERFRONT DRIVE
EUREKA, CA 95501

ATTACHMENT 1

RECOMMENDED 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**, it is requested that the applicant submit a check or money order for the required filing fee in the amount of \$50 payable to the Humboldt County Clerk/Recorder. If this payment is not received within this time period, 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 permit approval, the applicant shall execute a Compliance Agreement with the Humboldt County Planning and Building Department detailing all necessary permits and infrastructure improvements described under Conditions of Approval #6 through #17. 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 secure permits for all structures related to the cannabis cultivation and other commercial cannabis activity including, but not limited to: existing and proposed greenhouses, water tanks over 5,000 gallons, existing and proposed structures associated with drying and storage or any activity with a nexus to cannabis, and any noise containment structures as necessary. The plans submitted for building permit approval shall be consistent with the project description and the approved project site plan. Communication from the Building Division, verifying that all structures related to the cannabis cultivation are permitted, was approved by Building Inspection Department on August 27, 2020.
7. Prior to renewal of the permit, the operator is required to submit to the Department of Environmental Health (DEH), receipts or copy of contract confirming sufficient use of portable toilets to serve staff for the duration of the first year, or provide written assessment from a qualified septic consultant

confirming a Tier 0 status for the addition of an onsite wastewater treatment system serving the dwelling (Department of Environmental Services).

8. Within 60 days of project approval, the owner/applicant/operator shall submit a lighting plan for all mixed light cultivation/light deprivation cultivation areas. The lighting plan shall be reviewed and approved by the Director of Planning and Building Services.
9. The applicant shall contact the Kneeland Volunteer Fire Protection District and furnish written documentation from that agency of the available emergency response and fire suppression services and any recommended project mitigation measures. Mitigation measures shall be incorporated into the project, if applicable. If emergency response and fire suppression services are not provided, 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 and Building Department. 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.
10. The applicant shall be compliant with the County of Humboldt's Certified Unified Program Agency (CUPA) requirements regarding 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.
11. The applicant shall execute and file with the Planning and Building Department the statement titled, "Notice and Acknowledgment regarding Agricultural Activities in Humboldt County," ("Right to Farm" ordinance) as required by the HCC and available at the Planning Division.
12. At such time the applicant increases cultivation to maximum aggregate allotment, allowed under the CMMLUO 1.0 and Cultivation Area Verification (CAV) allowances, the applicant/operator/owner shall submit a revised site plan showing placement of all cannabis cultivation, broken down by zone and growing version (outdoor and/or mixed light), at least 30 days prior to placement/development of the cultivation area(s). The site plan shall be reviewed and approved by the Director of Planning and Building.
13. The applicant shall contact all Tribes associated with the project area to ensure that the site is outside Tribal Territories. The applicant shall implement the Inadvertent Discovery Protocol, in the event of the accidental discovery of historical artifacts or human remains. A qualified professional Archaeologist shall be contacted immediately, in order to inspect and clear the site for all further activities.
14. County Roads – Proximity to Farms – Applicant is advised that County maintained roads may generate dust and other impacts to farm(s). Applicant shall locate their farm(s) in areas not subject to these impacts. Applicant shall be responsible for protecting their farm(s) against these impacts. Applicant shall hold the County harmless for these impacts. Applicant is advised that a paved road may not always remain paved and Applicant shall locate their farms appropriately. Applicant is advised that the amount of traffic on a road will vary over time which may increase or decrease the impacts.
15. County Roads – Private Road Intersection – Any existing or proposed non-county maintained access roads that will serve as access for the proposed project that connect to a county maintained road shall be improved to current standards for a commercial driveway. 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. If the County road has a paved surface at the location of the access road, the access road shall be paved for a minimum width of 20 feet and length of 50 feet where it intersects the County road. 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. County Roads – Road Evaluation Report(s) – All recommendation in the *Road Evaluation Report(s)* for County maintained road(s) shall be constructed/implemented to the satisfaction of the Public Works Department prior to commencing operations, final sign-off for a building permit, or approval for a business license. 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.
17. The applicant shall revise the site plan to clearly show the total nursery area on site and used for propagation will not exceed the standard 10% threshold recommended by Humboldt County. To comply with the 10% threshold, the applicant shall be limited to 1,829 SF of nursery area in total.

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

1. The combined noise from background, generator, greenhouse fan, or other operational activities and equipment must not result in the harassment of Northern Spotted Owl species, as required to meet the performance standards for noise set by Department Policy Statement No. 16-005 clarifying CMMLUO 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.
2. All artificial light utilized in mixed light greenhouses shall be limited to 6 watts per square foot, with no wattage limit in the ancillary propagation greenhouse. All artificial lighting shall be fully contained within structures such that no light escapes (i.e., through the use of blackout curtains). Structures shall be enclosed between 30 minutes prior to sunset and 30 minutes after sunrise to prevent disruption to crepuscular wildlife. Security lighting shall be motion activated and comply with the International Dark-Sky Association standards and Fixture Seal of Approval Program (refer to <https://www.darksky.org/our-work/lighting/lighting-for-citizens/lighting-basics/>). Standards include, but are not limited to: Light shall 1) be shielded and downward facing, 2) consist of Low Pressure Sodium (LPS) light or low spectrum Light Emitting Diodes (LED) with a color temperature of 3000 kelvins or less, and 3) only placed where needed.
3. Should the Humboldt County Planning Division receive complaints that the lighting or noise is not complying with the standards listed above in items B.1. and B.2., within ten (10) working days of receiving written notification that a complaint has been filed, the applicant shall submit written verification that the lights' shielding and alignment and noise levels have been repaired, inspected, and corrected as necessary.
4. The use of synthetic netting for purposes of erosion control is prohibited. To minimize the risk of wildlife entrapment, the applicant shall not use any erosion control materials that contain synthetic (e.g., plastic or nylon) netting, including photo- or biodegradable plastic netting. Geotextiles, fiber rolls, and other erosion control measures shall be made of loose-weave mesh, such as jute, hemp, coconut (coir) fiber, or other products without welded weaves.
5. All refuse shall be contained in wildlife proof storage containers at all times and disposed at an authorized waste management facility.
6. Should any wildlife be encountered during work activities, the wildlife shall not be disturbed and shall be allowed to leave the work site unharmed.
7. The use of anticoagulant rodenticide is prohibited.

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.
9. All components of the 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. Any changes shall require modification of this permit, except where consistent with Humboldt County Code Section 312-11.1, Minor Deviations to Approved Plot Plan. If offsite processing is chosen to be the preferred method of processing, this permit shall be modified to identify the offsite licensed facility.
10. 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.
11. 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 toward compliance can be shown within the two years following the issuance of the provisional clearance or permit, the Department may, at the discretion of the Director, provide for extensions of the provisional permit to allow additional time to meet the outstanding requirements.
12. The permittee shall have 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.
13. The permittee shall be in 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.
14. The permittee shall ensure 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 Section 55.4.11(d).
15. The permittee shall maintain enrollment in Tier 1, 2, or 3, certification with North Coast Regional Water Quality Control Board (NCRWQCB) Order No. R1-2015-0023, if applicable, or any substantially equivalent rule that may be subsequently adopted by the County of Humboldt or other responsible agency.
16. The permittee shall comply with the terms of any applicable Lake and Stream Alteration (1600 or 1602) Permit obtained from the California Department of Fish and Wildlife (CDFW).
17. The permittee shall comply with the terms of a less-than-3-acre conversion exemption or timberland conversion permit, approved by the California Department of Forestry and Fire Protection (Cal Fire), if applicable.

18. The permittee shall 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 through Friday, 9:00 a.m. to 5:00 p.m., excluding holidays).
19. The permittee shall pay all applicable fees for application review to ensure conformance with conditions and annual inspection fees.
20. Fuel shall be stored and handled in compliance with applicable state and local laws and regulations, including the County of Humboldt's Certified Unified Program Agency (CUPA) program, and in such a way that no spillage occurs.
21. Fertilizer, pesticide, fungicide, rodenticide, or herbicide shall be properly stored, handled, and used in accordance with applicable regulations.
22. The master log books maintained by the applicant to track production and sales shall be maintained for inspection by the County.
23. The permittee shall pay all applicable taxes as required by the Humboldt County Commercial Marijuana Cultivation Tax Ordinance (Humboldt County Code Section 719-1 et seq.).

Performance Standards for Cultivation and Processing Operations

24. Pursuant to the MCRSA, 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."
25. 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, the California Agricultural Labor Relations Act, and the Humboldt County Code (including the Building Code).
26. Cultivators engaged in processing shall comply with the following Processing Practices:
 - a. Processing operations must be maintained in a clean and sanitary condition including all work surfaces and equipment.
 - b. Processing operations must implement protocols which prevent processing contamination and mold and mildew growth on cannabis.
 - c. Employees handling cannabis in processing operations must have access to facemasks and gloves in good operable condition as applicable to their job function.
 - d. Employees must wash hands sufficiently when handling cannabis or use gloves.
27. All persons hiring employees to engage in commercial cannabis cultivation and processing shall comply with the following Employee Safety Practices:
 - a. 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.

- b. Cultivation operations and processing operations must visibly post and maintain an emergency contact list which includes at a minimum:
 - (1) Operation manager contacts;
 - (2) Emergency responder contacts; and
 - (3) Poison control contacts.
 - c. 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.
 - d. Onsite housing provided to employees shall comply with all applicable federal, state, and local laws and regulations.
28. All cultivators shall comply with the approved processing plan as to the following:
- a. Processing practices;
 - b. Location where processing will occur;
 - c. Number of employees, if any;
 - d. Employee Safety Practices;
 - e. Toilet and handwashing facilities;
 - f. Plumbing and/or septic system and whether or not the system is capable of handling increased usage;
 - g. Drinking water for employees;
 - h. Plan to minimize impact from increased road use resulting from processing; and
 - i. Onsite housing, if any.
29. Term of Commercial Cannabis Activity Special Permit. Any Commercial Cannabis Activity Permit issued pursuant to the CMMLUO shall expire 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.
30. 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 permit holder with a written statement identifying the items not in compliance, and the action that the permit holder may take to cure the noncompliance, 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 re-inspection to determine whether or not the permit holder has cured all issues of noncompliance. Failure to request re-inspection or to cure any items of noncompliance 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.
31. Permit Renewals to Comply with Updated Laws and Regulations. Permit renewal is subject to the laws and regulations effective at the time of renewal, which may be substantially different than the regulations currently in place and may require the submittal of additional information to ensure that new standards are met.
32. 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.
33. 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 CMMLUO 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:

- a. Identification of the new owner(s) and management, as required in an initial permit application;
- b. A written acknowledgment by the new owner as required for the initial permit application;
- c. The specific date on which the transfer is to occur;
- d. Acknowledgement of full responsibility for complying with the existing permit; and
- e. Execution of an Affidavit of Non-diversion of Medical Cannabis.

34. 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 314-55.4.11(a) of the CMMLUO, 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 after 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. The terms of the compliance agreement may be appealed pursuant to Section 314-55.4.13 of the CMMLUO.
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 #B.11 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 #B.29 and B.30 of the Ongoing Requirements/Development Restrictions, above.
3. If cultural resources are encountered during construction activities, the contractor onsite shall cease all work in the immediate area and within a 50-foot buffer of the discovery location. A qualified archaeologist and the appropriate Tribal Historic Preservation Officer(s) are to be contacted to evaluate the discovery and, in consultation with the applicant and the 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 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 (PRC) Section 5097.98. Violators shall be prosecuted in accordance with PRC Section 5097.99.

4. The applicant shall be aware that the Federal Government considers the cultivation of cannabis to be an illegal activity. This project is accessed by using roads that pass-through lands owned by the Federal Government. The Federal Government may not allow the applicant to use these roads to transport cannabis. In such case, Humboldt County will not provide relief to the applicant. Approval of this permit does not authorize transportation of cannabis across Federal lands.

ATTACHMENT 2

**CEQA ADDENDUM TO THE
MITIGATED NEGATIVE DECLARATION FOR THE COMMERCIAL MEDICINAL MARIJUANA LAND USE
ORDINANCE**

**Commercial Medical Marijuana Land Use Ordinance Mitigated Negative Declaration (MND)
(State Clearinghouse # 2015102005), January 2016**

**APN 314-224-003;
Along Butte Creek Road, approximately 8 miles south of Kneeland, California
County of Humboldt**

**Prepared By
Humboldt County Planning and Building Department
3015 H Street, Eureka, CA 95501**

February 2022

BACKGROUND

Purpose of Addendum

Section 15164 of the California Environmental Quality Act (CEQA) provides that the lead agency shall prepare an addendum to a previously certified Mitigated Negative Declaration (MND) 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 MND 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 MND 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 previous MND was certified as complete, shows any of the following: A) the project will have one or more significant effects not discussed in the previous MND; B) significant effect previously examined will be substantially more severe than shown in the previous MND; 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 previous MND would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

Project History

The Commercial Medical Marijuana Land Use Ordinance (CMMLUO) established specific regulations for commercial cannabis operations in Humboldt County. The CMMLUO was considered a "project" under CEQA and thus required analysis for potential environmental impacts. Therefore, the CMMLUO regulations were developed and adopted in concert with the environmental analysis and MND that was adopted for the ordinance in 2016.

The MND addressed the broad environmental impacts that could be expected to occur from the adoption and implementation of the ordinance. The MND specified that the regulations established in the CMMLUO would mitigate the impacts of existing cannabis operations and unregulated land use to help prevent and reduce environmental impacts that are known to result from unpermitted baseline cultivation operations. Commercial cannabis cultivation in existence as of December 31, 2015, was included in the environmental baseline for the MND. The MND states that "Bringing existing operations into compliance will help to attenuate potential environmental effects from existing cultivation activities, including aesthetic impacts resulting from improper operation or poor siting." As applications are filed for new or differing cultivation activities, the "modification" to the CMMLUO is evaluated for consistency and compliance with the CMMLUO MND.

Modified Project Description

BCRD LLC ("Applicant/Owner") seeks approval for a Conditional Use Permit to permit a maximum of 18,283 square feet (SF) of existing cannabis cultivation, consisting of 5,323 SF outdoor cultivation and 12,960 SF mixed light cultivation. Irrigation water is sourced from an existing groundwater well (Permit No.

17/18-1659 [10 gpm]). The applicant has submitted a letter from Fisch Drilling (David Fisch), dated January 11, 2022, which concludes that *"the well is completed in the Franciscan Formation, drilled into a perched bedrock with no hydraulic connection to any surface water or any part of a larger shallow homogeneous aquifer"*. Annual water use is estimated at 187,500 gallons (10.25 gallons/SF). Total water storage is 41,020 gallons in seventeen (17) poly tanks: eleven (11) 2,600-gallon tanks; two (2) 2,500-gallon tanks; one (1) 1,320-gallon tank; one (1) 1,500-gallon tank; one (1) 1,600-gallon tank; and one (1) 3,000-gallon tank. An 1,800-SF commercial structure is proposed to be built to support onsite processing. Until the structure is permitted and constructed, processing will occur off-site. The site will be managed by up to four (4) full-time employees with up to three (3) additional employees during the peak season(s). Electricity is provided by a 2.5kw solar array with two (2) 6000kw inverters and 23kw of battery storage. The solar array is attached to a trailer and can be moved to power the well pump, and auxiliary lights for the nursery. A backup diesel generator (MQ Whisperwatt 2500) will be onsite and used if energy needs exceed the solar input.

Prior existing cultivation occurred within a Streamside Management Area (SMA); therefore, a Botanical and Aquatic Resources Survey was prepared in July 2019 by Kyle S. Wear, on behalf of Margro Advisors (project agent) to analyze potential environmental impacts. The survey determined that relocation of the cultivation areas outside of the SMA would be environmentally superior; therefore, cultivation areas are proposed for relocation (as shown on the current site plan attached to this Staff Report). The proposed relocation areas are located outside of the SMA on a dry ridge with no sensitive botanical or aquatic resources. The relocation areas consists of upland grassland vegetation dominated by non-native grasses and other herbaceous plants. There are no indicators of hydric soil, wetland hydrology, watercourses, or other non-wetland waters. Project activities are not expected to produce any adverse or cumulative effects to any special status species or habitat. Therefore, impacts to biological resources are considered low and unlikely.

A database search for known cultural resources was requested of the Northwest Information Center (NWIC) in October 2018. Although the NWIC had no record of any previous cultural resources for the project area, NWIC recommended a survey be conducted by a qualified archaeologist to ensure that the project area does not contain evidence of any unrecorded archaeological sites. The tribal representative from the local tribe (Bear River Band of the Rohnerville Rancheria) also requested a formal survey of the site be completed. Therefore, a "Cultural Resource Investigation Report for the BCRD LLC Commercial Cultivation Permit (APN: 314-224-003)" was completed in March 2021 by Roscoe and Associates. The report concluded that there are "no resources within any of the existing cultivation areas." Although the survey did identify one chert flake and one structural foundation within 600 feet of a cultivation area, neither qualify as an historical resource and neither is eligible for the California Register of Historical Resources. The report also concludes that singular chert flake is not diagnostic of any particular cultural or temporal association, and is not considered to be associated with an archaeological deposit or any other feature. The report does not recommend any action beyond the inclusion of inadvertent discovery protocol in the event any historical artifacts or human remains are encountered during onsite cultivation activities.

The modified project is consistent with the adopted MND for the CMMLUO, because it complies with all standards of the CMMLUO which were intended to mitigate impacts of existing cultivation. These include ensuring supplemental lighting and security lighting adheres to Dark Sky Association standards, and ensuring project related noise does not harass nearby wildlife, which will limit impacts to biological resources as a result of light and noise.

Summary of Significant Project Effects and Mitigation Recommended

No changes are proposed for the original MND recommended mitigation measures. The proposal to authorize the continued operation of 18,283 SF of existing cannabis cultivation, consisting of 5,323 SF outdoor cultivation and 12,960 SF mixed light cultivation, and a total of 1,823 SF of immature/nursery space is fully consistent with the impacts identified and adequately mitigated in the original MND. The project, as conditioned to implement responsible agency recommendations, results in no significant

adverse environmental effects beyond those identified in the MND. Compliance with the CMMLUO ensures consistency with the adopted MND and provides for mitigation of all project related impacts to a less than significant level.

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

- Revised Site Plan created by Pacific Affiliates, dated June 16, 2021.
- Cultivation and Operations Plan, created by applicant, dated July 7, 2021.
- BCRD LLC Application Materials Package, dated August 30, 2017.
- NWIC Search conducted on October 28, 2020.
- Correspondence from Bear River Band of the Rohnerville Rancheria (Jesse Lopez), dated October 16, 2020.
- Lake and Streambed Alteration Agreement (LSAA) and Bullfrog Management Plan No. 1600-2019-0644-R1, dated January 9, 2020.
- Letter from Fisch Drilling, dated January 11, 2022.

Other CEQA Considerations

Staff has applied a condition requiring the applicant to comply with the 10% nursery/propagation threshold used by Humboldt County (**Condition 17**). The applicant has requested a propagation/nursery area of 4,500 SF (24.6% of the 18,283 SF cultivation area) which is above the 10% threshold being recommended by Humboldt County.

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

See **Purpose** statement above.

For every environmental topic analyzed in this review, the potential environmental impacts of the current project proposal, **BCRD LLC (12765)**, would be the same or similar, with no substantial increase in severity, than the initial CMMLUO project for which the MND was adopted. Based upon this review, the following findings are supported:

FINDINGS

1. The proposed project will permit an existing 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 MND was adopted as complete.

CONCLUSION

Based on these findings, it is concluded that an Addendum to the certified MND is appropriate to address the requirements under CEQA for the current project proposal, **BCRD LLC (12765)**. All of the findings, mitigation requirements, and mitigation and monitoring program of the MND, remain in full force and effect on the original project.

ATTACHMENT 3
Applicant's Evidence in Support of the Required Findings

Attachment 3 includes a listing of all written evidence which has been submitted by the applicant in support of making the required findings. The following materials are on file with the Planning Division.

1. The name, contact address, and phone number(s) of the applicant. (**On file**)
2. If the applicant is not the record title owner of parcel, written consent of the owner for the application with original signature and notary acknowledgement. (**On file**)
3. Site plan showing the entire parcel, including easements, streams, springs, ponds and other surface water features, and the location and area for cultivation on the parcel with dimensions of the area for cultivation and setbacks from property lines. The site plan shall also include all areas of ground disturbance or surface water disturbance associated with cultivation activities, including access roads, water diversions, culverts, ponds, dams, graded flats, and other related features. If the area for cultivation is within one-quarter mile (1,320 feet) of a school, school bus stop, church or other place of religious worship, public park, or tribal cultural resource, the site plan shall include dimensions showing that the distance from the location of such features to the nearest point of the cultivation area is at least 600 feet. (Revised Site Plan created by Pacific Affiliates, dated June 16, 2021, **Attached**)
4. A cultivation and operations plan that meets or exceeds minimum legal standards for water source, storage, irrigation plan, conservation, and projected use; drainage, runoff and erosion control; watershed and habitat protection; and storage of fertilizers, pesticides, and other regulated products to be used on the parcel. A description of cultivation activities (outdoor, indoor, mixed light); the approximate date(s) cannabis cultivation activities have been conducted on the parcel prior to the effective date of this ordinance, if applicable; and schedule of activities during each month of the growing and harvesting season. (Cultivation and Operations Plan, created by applicant, July 7, 2021, **Attached**)
5. Copy of the statement of water diversion, or other permit, license or registration filed with the State Water Resources Control Board, Division of Water Rights, if applicable. (N/A)
6. Description of water source, storage, irrigation plan, and projected water usage. (Included in Cultivation Operations Plan - see item 4 above)
7. Copy of Notice of Intent and Monitoring Self-Certification and other documents filed with the North Coast Regional Water Quality Control Board (NCRWQCB) demonstrating enrollment in Tier 1, 2 or 3, NCRWQCB Order No. 2015-0023, or any substantially equivalent rule that may be subsequently adopted by the County of Humboldt or other responsible agency. (BCRD LLC Application Materials Package, dated August 30, 2017, **Attached**)
8. If any onsite or offsite component of the cultivation facility (including access roads, water supply, grading or terracing) impacts the bed or bank of any stream or other watercourse, a copy of the Lake and Streambed Alteration Permit obtained from the California Department of Fish and Wildlife. (Lake and Streambed Alteration Agreement (LSAA) and Bullfrog Management Plan No. 1600-2019-0644-R1, dated January 9, 2020, **On file**)
9. If the source of water is a well, a copy of the County well permit, if available. (Permit Nos. 17/18-1659, **On file**)
10. If the parcel is zoned FR, U or TPZ, or involves the conversion of timberland as defined under Section 4526 of the Public Resources Code, a copy of a less-than-3-acre conversion exemption or timberland conversion permit, approved by the California Department of Forestry and Fire

Protection (Cal Fire). Alternately, for existing operations occupying sites created through prior unauthorized conversion of timberland, evidence may be provided showing that the landowner has completed a civil or criminal process and/or entered into a negotiated settlement with Cal Fire. **(On file)**

11. Consent for on-site inspection of the parcel by County officials at prearranged date and time in consultation with the applicant prior to issuance of any clearance or permit, and once annually thereafter. **(On file)**
12. For indoor cultivation facilities, identification of the source of electrical power, how it will meet the energy requirements in Section 55.4.8.2.3, and the plan for compliance with applicable building codes. **(On file)**
13. Acknowledgment 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, will not support diversions for irrigation. **(On file)**
14. Acknowledgment that the County reserves the right to engage with local tribes before consenting to the issuance of any clearance or permit, if cultivation operations occur within an Area of Traditional Tribal Cultural Affiliation, as defined herein. This process will follow current departmental referral protocol, including engagement with the tribe(s) through coordination with their Tribal Historic Preservation Officer (THPO) or other tribal representatives. This procedure shall be conducted similar to the protocols outlined under SB 18 (Burton) and AB 52 (Gatto), which describe "government to government" consultation, through tribal and local government officials and their designees. During this process, the tribe may request that operations associated with the clearance or permit be designed to avoid, minimize, or mitigate impacts to tribal cultural resources, as defined herein. Examples include, but are not limited to, conducting a site visit with the THPO or their designee to the existing or proposed cultivation site, requiring that a professional cultural resources survey be performed, or requiring that a tribal cultural monitor be retained during project-related ground disturbance within areas of sensitivity or concern. The County shall request that a records search be performed through the California Historical Resources Information System (CHRIS). **(On file)**



Cultivation & Operations Plan

DNJ, LLC

Revised 7/2021

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1.) Project Description:

DNJ LLC. operates one existing commercial medical cannabis farm in Northern Humboldt County. This document is prepared specifically for DNJ LLC., which is located on Butte Creek Rd. Kneeland, CA 95549. The APN is 314-224-003. Total cultivation square footage based on pre-existing sites is a total of up to 19,756 sf (13,347 sf Mixed Light and 6,409 sf Outdoor). The current site is cultivating 18,283 sf with plans of site relocation due to streamside management encroachment to an environmentally superior location defined by a qualified professional. This cultivation site will be supported by a 4,500 sqft propagation area.

No neighbor is within 300 ft. of cultivation and no school bus stop, school, or place of worship is within 600 ft. of cultivation. We seek a permit to cultivate upto 19,756 square feet of cannabis cultivation.

1.1 Watershed and Nearby Habitat Protection

An approved riparian setback is established to protect water quality of any adjacent water courses. The riparian buffer area is vegetated with undisturbed native trees, shrubs and plants.

Cultivation sites have proper setbacks from property lines and water courses. Natural vegetation is in place between the cultivation areas and the property lines and between the cultivation areas and the creek.

Storm water is collected into bioswales to allow infiltration and groundwater recharge.

1.2 Best Management Practices

DNJ LLC. is dedicated to being a good neighbor and minimizing any negative impact to the rural community and natural environment surrounding this parcel. This would include eliminating light pollution, noise pollution, minimizing road usage, or any other adverse effect to our neighbors. We also adhere to Best Management Practices (BMP's) established by the North Coast Regional Water Board's Cannabis Cultivation Discharge Waiver program for protecting the environment and work closely with the county and state to keep in compliance and run a safe clean compliant farm. We function with great regard for the ecosystem in which we operate. Permaculture practices are implemented to protect and enhance the environment.

The grower, designated as the "Discharger", is enrolled in the State Water Resources Control Board (SWRCB) Waiver of Waste Discharge as a Tier I Discharger. The cultivation site includes a Site Management Plan (SMP) for the property. A copy of the SMP is kept onsite for ongoing site management and regulatory inspections.

Specific implemented BMP's include, but are not limited to the following:

- A. Winter water is captured and stored to support irrigation needs
- B. Swales capture rainwater to allow groundwater recharge and eliminate any runoff;
- C. Branches harvested during fuel reduction are chipped and used in swales, pathways, and remediation buffers to prevent nutrient runoff, reduce soil temperature, store carbon, and promote a healthy soil microbial community;

- D. Soil fertility is closely monitored via laboratory analyses to prevent excess use of fertilizers;
- E. Only organic products are used in the cultivation of cannabis;
- F. Cultivated soils are cover cropped and mulched in the off season to enhance soil fertility and eliminate runoff; and
- G. The entire site is monitored to identify and correct any potential sources of environmental degradation and maintain a protective riparian buffer. Additionally, we monitor and manage land per the guidelines set forth In a site-specific water resources protection plan and the SMP drafted for the SWRCB.

2.) Water Management Plan:

2.1 Water Source

DNJ LLC. utilizes a well for cultivation needs and has a storage capacity of 41,020 gallons in poly tanks.

2.2 Water Storage

Water is stored in a series of 17 rigid poly-tanks: eleven (11) 2,600 gallon tanks, two (2) 2,500 gallon tanks, one (1) 1,320 gallon, one (1) 1,500 gallon, one (1) 1,600 gallon, and one (1) 3,000 gallon tank. Equaling a total of 41,020 gallons of storage. Each tank is plumbed separately to prevent catastrophic loss of stored water should there be a failure in the water system.

2.3 Irrigation Plan

DNJ LLC. recognizes water conservation as one of the most important water management techniques. We do this by implementing drip irrigation as well as metering our water use. We have a water usage log that tracks our water usage and also can detect leaks in the water system. Our soil contains a high organic matter content to help hold moisture and reduce water usage. Drip irrigation is used for watering and is monitored closely so as to not overwater.

2.4 Projected Water Usage

The projected water usage is presented in Table 1.

| Jan | Feb | Mar | Apr | May | June |
|-------|-------|-------|-------|--------|--------|
| 2,000 | 2,000 | 8,000 | 8,500 | 20,000 | 24,000 |

| July | Aug | Sept | Oct | Nov | Dec |
|--------|--------|--------|--------|-------|-------|
| 35,000 | 35,000 | 32,000 | 17,000 | 2,000 | 2,000 |

Table 1 - Estimated Monthly Water Use

3.) Soil Management & Permaculture Methods:

DNJ LLC. uses permaculture techniques such as mulching and cover crops, which greatly reduces the need for chemical additives to the soil. The additives and fertilizers used are organic and every precaution is made to ensure zero runoff for protection of nearby watershed and habitat.

Used soil is contained in an area where it can be recycled for future use. Mulching and cannabis waste products are added to this used soil to enhance composting and rejuvenation of the soil. Cover crops will be used in the off season to also rejuvenate the soil in the beds of the greenhouses reducing the need for new soil.

Soil Amendments will include:

A. Organic Dry Fertilizer

- a. FoxFarm Planting Mix-Fertilizer- Aged Forest Products, Sphagnum Peat Moss, and Earthworm Castings- 900 lb/yr
- b. Age Old-Fertilizer- NPK: 2-1-3- 55 gal/yr

B. Sprays- Currently there are no chemical pesticides used. The primary pesticides applied to control mites and powdery mildew are:

- a. 1 gallons (stored on site) of Plant Therapy
- b. 1 gallon (stored on site) of Green Cleaner
- c. 1 gallon (stored on site) of Dr. Zymes insecticidal soap

4.) Fertilizers, Pesticides & Regulated Product Storage & Use:

All fertilizers and nutrients are stored in the secure Cabin and the Yurt Cabin. with secondary containment. Each supplement is properly labeled and used according to directions by manufacturer. Great care is taken in the handling and application of these supplements. Personal protective equipment, like gloves, safety goggles, and respirators, are available and used during application, Instructions for use are posted and adhered to for maximized results. DNJ LLC. reserves the right to increase or decrease nutrient use for optimum plant growth. All fertilizer and nutrient containers will be recycled at an appropriate facility.

5.) Cultivation Cycles

The site plans to produce two crop cycles. In April, planting will begin with clones in the nursery area. During the vegetative state plants are upgraded to larger pots outdoors, until ready for light deprivation. Plants are then transferred to their final greenhouse and covered for light deprivation. All greenhouses are staggered on two greenhouses every two week cycle starting mid May. First round harvest usually occurs mid July - mid August. Greenhouses are refilled after the first round harvest. The second harvest is late September - mid October. Harvest times can always vary depending on environmental factors including weather, pests, and plant strains.

6.) Processing Plan:

An 1,800 square foot commercial structure will be built to support onsite processing. Until the site is ready, processing will be done off-site. DNJ LLC will implement and exercise the following processing practices when work is done on site:

- A. All work surfaces and equipment will be maintained in a clean and sanitary condition.
- B. Prevention against contamination, mold, and mildew growth on processed cannabis.
- C. Those processing cannabis will have access to personal protective gear, such as face masks and gloves, and PPE will be in good operable condition.
- D. Staff will wash hands appropriately prior to handling cannabis and will wear gloves.
- E. Drying of the harvested cannabis will occur in the designated cabin.
- F. Adequate ventilation and lighting will be provided.
- G. Processing will be done utilizing hand shears and/or a trim machine.
- H. Processed cannabis is then weighed, packaged, and labeled. The packaged cannabis will then be distributed to licensed distribution companies.
- I. DNJ LLC. reserves the right to improve and advance our processing techniques with the advancement of technology.

6.1 Schedule of Cultivation Related Activities

The monthly activities and water usage by DNJ LLC. are outlined below in Table 2. DNJ LLC. reserves the right to alter the activities as needed per agricultural necessity:

| DNJ LLC | | | | |
|----------|---------------------------------------|--|-----------------------|----------------|
| Month | Non-Commercial Propagation Activities | Cultivation Schedule | Processing Activities | Water Usage |
| January | Plant Maintenance | N/A | N/A | 2,000 gallons |
| February | 2/1 Cut Clones | N/A | N/A | 2,000 gallons |
| March | 3/1 Grow Clones | N/A | N/A | 8,000 gallons |
| April | 4/1 Grown Clones | Plant clones. Seasonally dependent. | N/A | 8,000 gallons |
| May | 5/1 Grown Clones/Cut Clones | Plant clones. Seasonally dependent. Cultivate. | N/A | 20,000 gallons |

| | | | | |
|-----------|-------------------|---|-------------------------|----------------|
| June | 6/1 Cut Clones | Cultivating and harvesting (seasonally variable). | Curing | 24,000 gallons |
| July | 7/1 Grow Clones | Harvest (seasonally variable). Plant clones. Cultivating. | Curing. Trimming. | 35,000 gallons |
| August | Plant Maintenance | Cultivating. | Curing. Trimming. | 35,000 gallons |
| September | Plant Maintenance | Cultivation, Harvest (seasonally variable). | Curing. Trimming. | 32,000 gallons |
| October | Plant Maintenance | Cultivation. Harvest (seasonally variable). | Curing. Trimming. | 17,000 gallons |
| November | Plant Maintenance | N/A | Trimming. | 2,000 gallons |
| December | Plant Maintenance | N/A | Trimming. | 2,000 gallons |
| | | | Total Water Use (up to) | 205,000 |

Table 2 - Cultivation Activities

7.) Site Drainage, Runoff & Erosion Control Measures:

DNJ LLC. the cultivation site is on agricultural soil along the drainage. This type of soil drains extremely well, helping with reducing runoff issues. Swales capture rainwater to allow groundwater recharge and eliminate groundwater runoff.

Gravel roads are maintained and shaped to alleviate erosion and aid in minimizing runoff. All roads will be maintained year-round to ensure that water runoff causes minimal impact on the surrounding environment. Additionally, any bare soils are mulched and seeded to protect the soil surface from erosion and promote infiltration of rainwater.

8.) Description of generator use, power source, and storage.

Power sources include:

1. 2.5kw Solar Array with two(2) 6000kw Sunny Island inverters and 23kw of Batteries. The array is attached to a trailer and can be moved to accommodate the need to power pumps, the well, and auxiliary lights for the nursery at night.
2. Electricity used for ventilation fans is provided by solar panels and battery storage.
3. A backup diesel generator (MQ Whisperwatt 2500) is used if energy needs exceed solar input. The generator is rated by the manufacturer at under 65dB, it meets perimeter noise

restrictions required by environmental regulations as it is also stored in a shed that attenuates sound to sufficiently reduce decibels to prevent disturbance of neighbors and wildlife.

Diesel that supplies the generator is stored in two (2) 500-gallon tanks installed and filled by a local company.

9.) Employee Standards:

The site will be managed by up to four full-time employees with up to three additional employees hired to assist during peak seasonal activities. A third-party licensed contractor or temporary employment agency may be utilized on a temporary basis to support harvest operations, if needed.

9.1 Employee Safety Practices:

DNJ LLC. shall implement safety protocols to protect the health and safety of the owners and any individual on site. Appropriate Safety Data Sheets (SDS) are kept onsite as a component of the cultivator's SMP.

9.2 Emergency Contacts:

DNJ LLC operations and processing facilities shall visibly post and maintain an emergency contact list which includes at a minimum:

- a. Emergency responder contact(s): Emergency call 911.
- b. Non-emergency Sheriff: 707-445-7251
- c. Polson control center(s): Emergency call 911
- d. Poison Control Centers: 1-800-222-1.222

10.) Fire Prevention:

The following methods will assist with fire prevention:

- a. Smoke alarms and carbon monoxide alarms will be placed in buildings.
- b. Fire extinguishers will be available at the processing facility and garden shed, generator shed, and on all equipment. These will be marked with appropriate signage
- c. DNJ LLC. has a fuel reduction plan to reduce fire hazards around buildings and along the road.

11.) Parking and Road Usage:

Access is on a privately maintained gravel road approximately 1.16 miles long. DNJ LLC. expects to limit traffic on this road to 2 or 3 vehicles per day. This will include vendors as well as owners. Roadway has proper clearance for fire apparatus or any other emergency vehicle. Turnarounds for vehicles are available where practical. Gravel road and circular driveway are maintained for Type 3 fire apparatus or any other size emergency vehicle.

A graded parking area is available on site which can house 10 vehicles.

12.) Security Plan:

DNJ LLC. has developed a security plan for the site. The security plan utilizes its remote rural location to our best advantage. Plans include:

- A. To access the site, there is a locked gate. The combination lock at the gate is changed regularly.
- B. Security cameras are in place as well as a community watch program for suspicious vehicles that could be in the area.
- C. Signs with the wording, "Security cameras in place," "Private Property," and "No Trespassing" are located at the gates.
- D. Items of value will not be left unsecured on the property.
- E. Greenhouses and processing facilities are not visible by any public road.
- F. All buildings have adequate locking doors.
- G. Operations shall be discreet and not draw attention.

13.) Division of Environmental Health Information:

13.1 Onsite Wastewater

Onsite wastewater system consists of one 1,200 gallon septic system which on average can manage upto 700 gallon per day. This system is sufficient for processing wastewater for the existing and projected use. It is located at the onsite caretaker's residence that will otherwise not be used in association with commercial cannabis activities.

As per the CCR, Title 8, § 3457, which addresses field sanitation standards, the cultivation site is required to provide access to waste facilities within one-quarter (1/4) mile or a five (5) minute walk, whichever is shorter. Where the septic system is not within this accessibility threshold, a portable facility will be provided in lieu of septic to support waste activities. The standards for portable waste facilities will be followed for toilets, wastewater, and chemical tanks.

13.2 Water Source

Water for cultivation is sourced from a permitted well. Water is stored in a series of poly water tanks. Domestic and fire water is separate from agricultural water. See site plan.

13.3 Consumer Protection

There is no food production facility or service on-site nor is there an existing or proposed commercial kitchen infrastructure.

13.4 DEH Hazardous Materials Details

The following provides responses to the Department of Environmental Health Survey:

A. List/describe production/cultivation machinery (e.g. generator, tractor, OHV, trimmer, heaters etc.)

- a. Trim Machine
- b. Generator: MQ Whisperwatt 25
- d. Electric dehumidifiers
- e. Heaters electrical.
- f. Off road vehicle: Polaris Ranger 500
- g. Farm vehicle: Jeep Liberty.

B. Equipment Maintenance/Service (e.g., changing oil, antifreeze, etc.) is done offsite.

C. List describe fuel/oil(s) used or produced on site (e.g. gasoline, diesel, propane, other?); Provide amounts and storage method(s):

- a. 1,000 gallons of diesel
- b. 100 gallons of gasoline

D. List/describe all compressed gases, cleaners, solvents and sanitizers (including, but not limited to household chemicals, bleach and alcohol). Provide amounts and storage method(s):

- a. None

13.5 Solid Waste/Recycling

Waste methods will include:

1. The anticipated solid waste/recycling, composting products and anticipated amounts will be minimal plastics that will be hauled to the recycling center 1x per month in one 33-gal can per week and garbage (2x per week) using 33-gal cans.
2. Self-hauled garbage and recycling will be taken to the Humboldt Waste Management Authority- Recology.
3. See site plan for designated area for storage of recycling and solid waste.
4. Containers stored outside are covered and stored in animal-proof containment and within secondary containment to prevent leakage and runoff.
5. Spent growth medium is composted.

14.) Health and Safety:

When employees are hired this site will be operated as an "agricultural employer" as defined by 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, and comply with all applicable federal, state, and local laws and regulations governing California Agricultural Employers. At the first establishment of 20 or more employees, the firm will sign and enact a Labor Peace Agreement and allow upon written request, all bona fide labor organizations access at reasonable times to areas in which the farm's employees work, for the purpose of meeting with employees to discuss their right to representation, employment rights under state law, and terms and conditions of employment.

An Injury and Illness Prevention Program (IIPP) Plan will be posted. It includes safety protocols including emergency action plan and fire prevention plan, use of personal protective equipment, proper equipment and materials handling, heat illness prevention, employee accident reporting policies and logs, communication of hazards and Material Safety Data Sheets for amendments and chemicals used onsite, and employee training logs.

Posted and available documentation for employees (if applicable) will include:

- *Injury and Illness Prevention Program (IIPP) Plan* - T8 CCR Section 3203 of the General Industry Safety Orders
- *Agricultural Occupations Notice* - Industrial Welfare Commission Order No. 14-2001
- *Professional, Technical, Clerical, Mechanical, and Similar Occupations Notice* - Industrial Welfare Commission Order No. 4-2001
- *Safety and Health Protection on the Job* - Labor Code section 6328
- *California Minimum Wage* - MW-2017 General Minimum Wage Order
- *Healthy Workplaces/Healthy Families Act of 2014 Paid Sick Leave* - Division of Labor Standards
- *Payday Notice* - Labor Code section 207
- *Emergency Numbers* - Title 8 Section 1512 (e), California Code of Regulations
- *Access to Medical and Exposure Records and General Industry Safety Order 3204*
- *Injuries Caused by Work* - Title 8, California Code of Regulations, Division of Workers' Compensation section 9881
- *Whistleblower Protections* - Labor Code Section 1102.8(a)
- *No smoking signage* - Labor Code section 6404.5(c)(1)
- *Farm Labor Contractor Statement of Pay Rates* - California Labor Code Section 1695(7)
- *Insurance and Paid Leave Notice to Employees* - DE 1857A
- *Equal Employment Opportunity is the Law* - EEOC-P/E1 and Americans with Disabilities Act
- *Human Trafficking Public Notice* - Civil Code § 52.6

15.) International Dark Sky Standards

Any greenhouse or propagation area with supplemental lighting will be properly maintained to avoid being visible from any neighboring property between sunset and sunrise. The site will comply with International Dark Sky Association standards for Lighting Zone 0, and prevent light spillage which may impact local wildlife. Any and all complaints received in writing regarding light spillage will be corrected within 10 business days from the date of receipt.

16.) Relocation & Proposed Structures

Greenhouses 4&5 and 7&8 will be relocated to a consolidated cultivation area to the south of the main Cabin. The area will have four greenhouses 30x108 feet. Propagation greenhouses 1-3 which are currently within the streamside management area will be relocated to a single nursery 30x150 feet, next to the new cultivation greenhouses. On the east side of the property

61 smart pots will be moved to the area where 113 existing plants are grown near the main cabin.

An 1,800 sq foot processing building will be added to the site near the new cultivation greenhouses, along with an ADA parking space and restroom facilities. (See Proposed Site Plan)

DNJ LLC



HUMBOLDT COUNTY CMMLUO APPLICATION MATERIALS

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Business Plan

DNJ, LLC

EXECUTIVE SUMMARY

ORGANIZATION:

DNJ, LLC (DNJ) is an active Domestic Company registered with the California Secretary of State (a Limited Liability Company). If necessary, DNJ will file a restriction on the distribution of profits clause to its articles to operate as a nonprofit until the MAUCRSA¹ is fully in effect.

OBJECTIVES:

DNJ, is established to operate in accordance with all applicable California laws. As the legal environment changes in California for cannabis related companies under California Medicinal and Adult-Use Regulation and Safety Act ("MAUCRSA") and other new laws and regulations, DNJ will evolve and sustain compliance.

DNJ is a cannabis cultivation entity, and expects to be licensed under the MAUCRSA – fully compliant with the Department of Food and Agriculture's California Cannabis governing body and every other concerned regulatory agency as deemed by state and local law.

DNJ will be operating in Humboldt County, California. Specifically, DNJ has purchased the property at APN: 314-224-003. At the end of the document is proof of cultivation prior to 2016; we are confident that our compliance with local and state regulations, and our commitment to excellence, will lead to notably beneficial changes to the property and land as well as within the overall community of Humboldt County.

Additionally, DNJ is established to meet the goals and needs of the community of Humboldt County; DNJ will operate under a good-neighbor policy and serve as an active and caring member of the local community.

MISSION STATEMENT:

DNJ's goal is to provide a professional and safe environment in which the highest quality of medical cannabis is cultivated, and to be a stellar example in both the community and the industry.

¹ The Medical Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) governs all licensed marijuana business activity in the State of California and will take effect January 1, 2018.

Operating Plan & Performance Standards

WATER USE & QUALITY

DNJ is currently enrolled with Pacific Watershed Associates (PWA) Approved Third Party Program, in accordance with the North Coast Regional Water Quality Control Board (NCRWQCB). DNJ's goal will be to comply with all local and State requirements and recommendations

DNJ intends to apply for a well permit with the Humboldt County Division of Environmental Health Department (HCDEH). DNJ's goal is to alleviate surface water diversions.

With the understanding that forbearance periods may also be established for wells in certain circumstances, DNJ will also move forward with installing additional hard-walled storage tanks. Currently there is just over 11,000-gallons of hard-walled storage tanks on the property. DNJ proposes to increase this to a minimum of 30,000 gallons within the next year for both fire protection and crop irrigation during forbearance periods, with tank storage increasing as needed as the development of a water budget continues and additional water sources identified.

DNJ will also implement water conservation policies and develop a rainwater catchment system. Rainwater will be collected from existing and proposed rooftops and will be stored in a combination of hard-walled storage tanks and a newly proposed, off-stream 500,000-gallon pond. The estimated high end annual water use is for the cultivation operation is 500,000 gallons per year.

Water quality standards will be maintained at all times. DNJ will implement biological filtration systems in its pond (if permitted) and will utilize strategic landscape architecture techniques to reduce water storage exposure to both chemicals and environmental elements. DNJ will also recycle grey-water whenever practical. Humboldt County has made it abundantly clear that environmental concerns, particularly responsible use of scarce water resources and coexistence with implicated ecosystems, are of the utmost importance – DNJ will work closely with the regulatory community and environmental consultants to remain compliant with all relevant environmental regulations at both the County and State level, including CEQA and environmental legislation under the California Environmental Protection Agency.

DNJ is currently under contract with PWA to finalize the Water Resource Protection Plan (WRPP) that was initiated by the previous owner, in accordance with Ordinance No. R1-2015-0023. The plan will include comprehensive maps, an accurate assessment, applicable plans and drawings, list of chemicals involved², best management practices, as well as comprehensive record keeping schematics. DNJ will fully comply with the following explicit mandates:

- Our goal is to, by 2019, have no surface water diversions during the set forbearance period, currently set from May 15 to October 31, with the understanding that that may change over time.
- Water diversions will be in accordance with the State Water Resource Control Board, the NCRWQCB, and the California Department of Fish and Wildlife (CDFW) and as stated within the site specific WRPP.

If any aforementioned water related logistics are inconsistent with the WRPP and/or Humboldt County Code and regulations, DNJ grants authority to Kathy Moley of PWA to modify water related plans and the WRPP to be fully compliant with County and State regulations. DNJ is committed to running an exemplary

² All chemicals will be compliant with California and FDA requirements as well the regulations imposed by the MAUCRSA for cannabis cultivation in the state of California.

cultivation operation that meets and exceeds both State and County regulations and guidelines and will make continuous efforts to assess and, when necessary, improve upon the procedures that it has implemented.

SITE DRAINAGE AND EROSION CONTROL

There are two main streams which run through the property and several minor creeks. The majority of this property drains southward towards Ellison Creek, a tributary to Yager Creek. All future cultivation will remain greater than 100 feet from any Class I or Class II drainage. For the most part all existing cultivation areas are greater than 100 feet from any drainage. DNJ is currently retaining a wetlands specialist to assist with identifying critical riparian areas for the purpose of maintaining appropriate setbacks to creeks. Streams, springs and wetlands.

WATERSHED PROTECTION

The cultivation sites consists of a flat portion of the acreage, and features only gentle slopes in the immediate area – there are no significant gradient considerations applicable to the cultivation location. Drainage is adequately provided for and will be bolstered as necessary under the advisement of Travis Schneider of Pacific Affiliates Consulting Engineers. DNJ will locate appropriate BMPs where necessary to prevent sediment and nutrients from leaving any cultivation areas and prevent any possible runoff or erosion.

MATERIALS STORAGE

As mentioned above, DNJ intends to utilize potted soil for its cultivation operations. We will use black out screens to limit light exposure to the plants in order to induce the flowering process. All fertilizers, conditioners, fungicides and pesticides will comply with California and FDA requirements and be stored in a safe and compliant manner, reducing the potential for exposure and contamination. DNJ will acquire or construct a storage facility, approximately the size of a storage container, in which a binder containing continually updated and accurate Material Safety Data Sheets will be immediately visible and accessible. There will also be posted "Exposure Procedures and Contacts". The storage facility will also have standardized personal protective equipment and tools immediately available accounting for the maximum number of employees to have access at any given time. All waste materials, including bottles and miscellaneous containers, will be disposed of at a registered and qualified recycling center, and if necessary to a disposal site qualified to accept possibly hazardous materials. As California and Humboldt County continue to develop and release storage and disposal requirements and regulations, DNJ will adapt as to stay compliant under any and all applicable regulations.

The following Contact Numbers will be posted in the Materials Storage Facility:

- National Pesticide Information Center: 800-858-7378
- American Association of Poison Control: 800-222-1222
- Humboldt County Dept. of Health & Human Services, Environmental Health Unit: 800-963-9241;
707-445-6215
- EMERGENCY CONTACT: 911

CONTAMINANTS

Pesticides & Pest Management

According to the Food and Agricultural Organization, a pesticide is any substance or mixture of substances created to prevent, control, or destroy any possible pests. DNJ will employ only pesticides and substances registered with and approved by the Environmental Protection Agency and the California Department of Pesticide Regulation. All permits and certifications required for the execution of pesticide operations will be acquired and displayed onsite. Pesticides and related substances will be stored in the secured materials storage facility.

Mold & Mildew

All cultivation employees of DNJ will be trained to identify and resolve potential mold and mildew threats. Contamination procedures will be accessible and strictly adhered to. Visual inspections will be conducted at regular intervals, and potentially compromised plants will be quarantined per industry guidelines.

Product Disposal Procedures

DNJ is committed to bringing all of its operations into compliance with both state and local requirements. Upon discovery of mold, mildew or other contaminants that will ultimately compromise crop quality and safety, DNJ will implement crop disposal procedures that adhere to the requirements imposed by the State of California, the FDA and the County of Humboldt. While neither the State nor the County of Humboldt has released specific guidelines with respect to product disposal, our management team has researched requirements in other states and we plan to begin our operations in a way that would be compliant with such requirements and hope to exceed any subsequent regulations that California or Humboldt County may later impose. The following steps will be taken in order to ensure proper product disposal procedures:

Chemical, Dangerous and Hazardous Waste: Disposal of chemical, dangerous or hazardous waste will be conducted in a manner consistent with federal, state and local laws, regulations, rules or other requirements. Thus, all solvents or other chemicals used in the production of marijuana concentrates will be disposed of with a contracted hazardous waste disposal company. Since DNJ will not be manufacturing concentrates on-site there will not be any hazardous, flammable or explosive substances used or found at the cultivation facility.

Unusable and Unrecognizable Waste: All medical marijuana waste will be made unusable and unrecognizable prior to leaving the premises. Medical marijuana waste shall be rendered unusable and unrecognizable through one of the following methods:

Grinding and incorporating the marijuana waste with non-consumable, solid wastes listed below such that the resulting mixture is at least 50 percent non-marijuana waste:

- Paper Waste;
- Plastic Waste;
- Cardboard Waste;
- Food Waste;
- Grease or other Compostable Oil Waste;
- Bokashi, or other Compost Activators;
- Soil; and
- Other wastes approved by the state licensing authority that will render medical marijuana and medical marijuana-infused product waste unusable and unrecognizable as marijuana.

After waste is made unusable and unrecognizable, then the rendered waste will be disposed of in one of the following manners:

- Disposed of at a solid waste site and disposal facility that is designated or approved by Humboldt County or the State of California;
- Deposited at a compost facility that has a certificate of designation from the Department of Public Health and Environment; or
- Composted on-site at a facility owned by DNJ in compliance with the regulations pertaining to solid waste sites and facilities in the Department of Public Health and Environment.

In no circumstances will medical marijuana waste be disposed of in an unsecured waste receptacle not in control and possession of DNJ. Further, DNJ will take steps to ensure waste materials are identified, weighed and tracked while on the premises until disposed of. Such waste will be weighed before leaving the premises and our management team will maintain comprehensive records regarding waste materials, which will account for, reconcile, and evidence all waste activity related to the disposal of Marijuana. Accordingly, at DNJ our product waste procedures will make certain that all waste is made unusable and unrecognizable and will include record keeping of our product disposal and waste management procedures.

GREEN PRACTICES

DNJ will utilize innovative and sustainable materials and practices to ensure that the company runs as environmentally friendly as possible. California water resources have been strained in recent years, DNJ will employ a grow system that works to cut back on the amount of water necessary for the grow operation.

Also, we are extremely excited to slowly phase in a solar panel system to generate energy. Not only will DNJ be using natural sunlight for direct energy to grow our plants, we will also utilize a solar panel system to capture and convert energy. The solar power generators will power our nursery rooms, security and other basic power needs. A backup propane generator will be used only when solar panel batteries are low or are unable to sustain energy usage. DNJ pledges to limit generator use so as to comply with yearly limitations imposed by the State and County.

SITE DESIGN

DNJ has conducted extensive research to come up with the most safe and efficient use of its space for implementing a medical marijuana cultivation operation. An effective workflow system is critical to maximizing product amount and quality. Currently the previous cultivation on this property is dispersed to five (5) separate locations throughout the 160 acres. It is DNJ's goal, once approved, to consolidate as much of the cultivation areas as possible to one location. This would allow for reduced infrastructure, reduced impact on the land, enhanced efficiency and security for the property.

DNJ plans to cultivate plants within soil, which is more forgiving than other systems, and allows particular strains and generations to be raised together. Currently DNJ's plan is to source soils through Nevada County Farm and Garden Supply in Nevada County or American Soil out of the San Francisco Bay Area, unless and/or until a local soil source is contracted. Soil will be imported through delivery trucks. Once soil is onsite, it is anticipated that soil will be reused and amended with missing elements and lacking nutrients based on the results of soil nutrient testing.

In addition to the existing 30,000 ft² outdoor cultivation DNJ is proposing a new 5,000 ft² indoor cultivation. Upon approval, DNJ plans to develop a solar array with battery backup. This system is intended to be totally off-grid. If necessary DNJ will make investments in appropriate Carbon Credit ventures to assist in off-setting any incurred use of resources.

Any new construction or cultivation lay-out will feature a safe and open design using large aisles throughout the facilities. The design will also mitigate any potential exposure to pest intrusion. The cultivation area and hoop-houses, which shall be compliant with relevant building and related codes, will total 30,000 ft² and will be positioned congruently with the prior cultivation footprint. DNJ will use generator power with plans to implement a solar grid.

The property has an existing trimming facility, but DNJ will most likely be submitting building permit applications for to build a new secure auxiliary trimming room on-site, and as such the product will not have to leave the immediate facility until it is trimmed, bagged and fully prepared. An industry-grade safe will be kept inside the trimming room to ensure security.

- Hoop-houses will utilize industry perfected practices, including light deprivation, environmental controls, irrigation, insect exclusion, benching systems, hybrid techniques, and systematic growing conditions;
- Hoop-houses will ensure an abundance of natural lighting so as to minimize auxiliary power needs and the negative environmental impact associated with artificial light;
- Hoop-house design will include ventilation procedures to allow for hydration control and mold avoidance;
- A good blackout system will be used as an integral component to control the flowering process and allow for increased yields;
- An integrated ventilation system allows for increased control over heating and cooling;
- CO₂ can be introduced as necessary to maximize the quality of medical marijuana production;
- Ventilation is essential to all hoop-house crops, and filtration can eliminate exhaust odors;
- Hoop-house medical marijuana will be grown in potted soil;
- A nutrient management system will maximize the production yield while ensuring high quality.

CULTIVATION SITE RELOCATION

DNJ plans to consolidate the pre-existing cultivation sites in to a single 30,000 ft² cultivation site contingent on the approval of Humboldt County. Any relocation of existing cultivation sites will follow County requirements including a biological wetlands investigation as well as an archeological investigation and tribal lands inspection. DNJ will file all necessary requests for relocation with the County and await County approval before consolidating its cultivation area in the property's meadow area.

PROCESSING PLAN

The harvesting process for medical marijuana is particularly involved, and DNJ plans to provide the support, training, tools, and safety to help its cultivation operation run smoothly. The secure trimming room will be the location of all trimming activity. Initially, DNJ staff, in accordance with all applicable health

and safety standards, will do all trimming. It is DNJ's goal to purchase and utilize a trimming machine, which would be located in the trimming room.

Harvesting of flowering plants shall occur at peak ripeness; peak ripeness shall be determined by microscopic examination of the trichomes of each flower. Before harvesting plants for processing, the processing facility shall be sanitized effectively. The proposed facility will include a space for hanging the flowers, and the facility will implement a ventilation system with a carbon filter exhaust. A dehumidifier will be tasked at controlling humidity levels between 50-60% to inhibit the onset of mold or mildew. Processed and manicured medical marijuana product will be packaged appropriately and stored in a secure safe until it is ready to be laboratory tested.

MONTHLY SCHEDULE OF OPERATIONS

DNJ will build upon proven practices within the medical cannabis industry. The cultivation site will utilize standardized and sanitary cultivation procedures and produce regulated yields. All employees will be trained in cannabis cultivation, and DNJ will employ industry software to track its product from seed to sale. We will be operating an exclusively sun-grown (outdoor) cultivation system – utilizing environmental and organic practices and products whenever and wherever feasible. (Schedule subject to change in response to environmental variables)

- **JANUARY:** Site cleanup and preparation. Plants are in nursery phase.
- **FEBRUARY:** Infrastructure repair and preparation. Plants are in nursery and vegetative phases.
- **MARCH:** Infrastructure care and improvement. Ongoing inspection of site for any potential issues and/or improvements. Continued plant care. Preparation, including cleaning and equipment checks, for light deprivation. Plants are in vegetative, flower, and nursery phases.
- **APRIL:** Continued care for plants including watering, transplanting, pruning, fertilization, pest management, quarantine for incoming and/or contaminated plants, plant sexing, and other related day-to-day duties. Implementation of light deprivation. Plants are in vegetative, flower, and nursery phases.
- **MAY:** Ongoing inspection of site for any potential issues and/or improvements. Continued plant care as well as bug and pest control. Plants are in vegetative, flower, nursery, and harvest phases.
- **JUNE:** Ongoing inspection of site for any potential issues and/or improvements. Continued plant care as well as bug and pest control. Plants are in vegetative, flower, and nursery phases.
- **JULY:** Ongoing inspection of site for any potential issues and/or improvements. Continued plant care as well as bug and pest control. Plants are in vegetative, flower, and nursery phases.
- **AUGUST:** Ongoing inspection of site for any potential issues and/or improvements. Continued plant care as well as bug and pest control. Light deprivation culminates. Plants are in flower and harvest phases.
- **SEPTEMBER:** Ongoing inspection of site for any potential issues and/or improvements. Continued plant care as well as bug and pest control. Plants are in flower phase.
- **OCTOBER:** Ongoing inspection of site for any potential issues and/or improvements. Continued plant care as well as bug and pest control. Plants are in flower and harvest phases.
- **NOVEMBER:** Ongoing inspection of site for any potential issues and/or improvements. Continued plant care as well as bug and pest control. Plants are in harvest phase.

- **DECEMBER:** Site cleanup and preparation. Plants are in nursery phase. Comprehensive system review and scheduling of cultivation process.

In addition to the schedule outlined above, DNJ will continue to make infrastructure upgrades and improvements to comply with the Proposed Water Resource Protection Plan and Site improvements that it has committed to throughout this application. Further, while the State currently classifies cultivation without the use of artificial light as an “outdoor”, DNJ pledges to amend its schedule of operations to align with whatever requirements that State and the County of Humboldt ultimately impose. Thus, if using light deprivation techniques or nursery growing with the aid of artificial light results in our operation being classified as mixed-light we will make the necessary adjustments in order to ensure compliance with both state and local requirements.

Security Plan

SECURITY

DNJ has consulted with industry specialists on matters of security in order to develop a plan that accounts for the overall security risks involved with cultivating medical cannabis. Given the unique security concerns involved with cultivating a market valuable product such as cannabis, DNJ has taken measures to design a multi-tiered security plan.

To the extent necessary, DNJ will contract out security infrastructure implementation as well as a security manual for carrying out day-to-day security related tasks. Notably, DNJ plans to install fencing across any road-front areas of the property as well as industry-grade gated access at point of entry. Wireless security cameras will be positioned to capture footage in the immediate and general access areas. Cultivation structures and areas will be outfitted with wide range security cameras and motion detectors. All security cameras will have night vision capability. All cultivation and related facilities will be secured with industry grade locks and doors. There will likely be at least one managing employee living on site, and he or she will have access to security devices and controls at all times.

FENCING

The cultivation facility of DNJ is a vast acreage located at APN: 314-224-003. The 30,000-square foot cultivation site will utilize hoop-houses and in-ground soil growing practices. DNJ will install an eight (8) foot chain link fence with security wires around the perimeter of the proposed cultivation site.

GATED ACCESS [DRIVEWAY]/ POINT OF ENTRY

The site at APN: 314-224-003 consists of a single driveway point of entry, which will be equipped with an industry-grade gated access point. This access point will also include at least one closed-circuit television monitor with digital video recording system.

CAMERAS

DNJ will utilize state-of-the-art security cameras such as the Lorex 1080P HD camera, which will allow for high-definition monitoring of the premises. Lorex cameras, or equivalents, come with 1080 pixel per square inch capacity, which will allow for facial identification of anyone within a nearby proximity to the cultivation site, entrance and auxiliary buildings. All cameras will come equipped with motion sensing technology as well as infrared capabilities to adapt to low light conditions. Accordingly, the cameras used will be capable of identifying activity throughout the night or in unlit rooms.

External surveillance will cover the main entrance point of the driveway, the cultivation site as well as a 360-degree field of view around the perimeter of living quarters and auxiliary cultivation buildings used for vegetation, cloning, trimming and storage. Surveillance will cover all areas where cannabis products are present as well as all living facilities on the property.

The camera system will be bolstered by backup electrical provided by on-site units designed to provide 12 hours of backup power to all security camera systems. The designed system will provide on and off-site storage, allowing DNJ to store feeds for a minimum of two-months. The system will also include a failure notification procedure with auditory and visual notification whenever recording failures or discrepancies are present.

SECURITY MONITORING SERVICES/ THIRD-PARTY MONITORING

DNJ will contract with Netwatch USA, or a similar security outfit, to help deter and document any security events at the facility from a remote location. Accordingly, a third-party security outfit will be able to access our security surveillance system at all times of the day. Alarm sensors and triggers will be placed around the facility to alert the contracted third-party security monitoring company of any intrusions or unauthorized access. This system will include motion-sensor surveillance cameras, electronic access points and security and fire alarms. DNJ will also provide County Sheriff and law enforcement personnel with direct access to all security feeds.

INTRUSION AND MOTION DETECTION

The implemented system will include motion detectors to provide coverage of all hoop-houses, gate and visitor entrances and auxiliary cultivation, trimming and residential buildings. The planned system will include electronic recordings of entries and exits on the premises and surrounding areas for up to three months. The alarm system will register with Humboldt County Sheriff Department, and will include operator names as well as contact information and vehicle information of regular trafficking vehicles.

ON-SITE CARETAKER

In addition to the procedures and protocols outlined above, DNJ will employ an on-site caretaker who will be responsible for security oversight in addition to cultivation duties. The on-site caretaker will ensure all areas remain secure and locked at all times during off-hour operations. Additional security duties for the on-site caretaker will include bi-weekly system checks and oversight of all vehicles and personnel entering the property. Finally, the on-site caretaker will keep guardian dogs on the premises in order to provide additional security during all hours of the day.

COMPLIANCE

All protocols, procedures, materials, facilities, business, and employment terms shall be conducted in accordance with Humboldt County Regulations. To the extent not already covered, all operations shall be commenced pursuant to Humboldt County Code § 55.4, Humboldt County Ordinances both codified and to be codified through passage and adoption, the MAUCRSA, and any other applicable California law:

In order to ensure compliance with the developing regulatory system under California law and Humboldt County, DNJ plans to retain legal counsel that specializes in California Cannabis compliance to review and update cultivation and operational procedures.

DNJ LLC consents 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.

LABOR & EMPLOYMENT RELATIONS AND SAFETY

Employees

DNJ will employ 1-2 full-time employees and 1-2 part-time employees. Full-time employees will include a seasoned master-grower and an additional full-time assistant to aid in the maintenance and upkeep of the crop and surrounding facilities. Part-time employees will be hired to assist with harvesting and trimming of crops on a seasonal basis. DNJ plans to employ employees who are experienced in the industry and local to Humboldt County and Northern California in order to provide job opportunities to locals as well as to ensure that employees are familiar with local growing practices, including climate sensitivities and seasonal changes.

Equal Opportunity

DNJ does not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The company will take affirmative action to ensure that applicants are employed, and the employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training. The company agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

DNJ will, in all solicitations or advertisements for employees placed by or on behalf of the Company, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

DNJ will comply with all federal and state regulations addressing equal opportunity in the workplace.

Harassment

Harassment or bullying can take the form of a number of different behaviors including persistent comments, actions, jokes or suggestions, which are unwanted by the recipient and create an intimidating environment.

Other forms of harassment or bullying may include:

- Physical contact, sexual or otherwise;
- Offensive language, gossip or slander;
- Posters, graffiti, obscene gestures;
- Abuse of internal e-mail systems;
- Pestering, spying and stalking;
- Persistent undermining of confidence, competence and self esteem;
- Failing to acknowledge the rights or needs of people with different views or practices;
- Undignified treatment or exclusion of people with disabilities or on the grounds of gender, age, sexual orientation or race;
- Request for sexual favors;
- Express/implied threat of dismissal/loss of promotion on racial grounds or for refusal of sexual favors.

Harassment can occur on the grounds of:

- Race
- Sex
- Sexual Orientation
- Age
- Disability
- Bullying generally
- Policy

DNJ fully supports the rights and opportunities of all people to seek, obtain and hold employment without harassment. Harassment is conduct, which is unwanted or offensive to the recipient whether on the basis of sex, race or disability or whether it takes the form of bullying generally. It is the policy of DNJ to make every effort to provide a working environment free of harassment and intimidation. It is against the policies of this organization for any employee to harass another employee. Such conduct will not be tolerated. All employees will be expected to comply with this policy and take appropriate measures to ensure that such conduct does not occur. In addition, DNJ will not tolerate harassment of employees by non-employees such as vendors or clients of the Company, equally it is unacceptable for employees of the company to harass such non-employees (i.e. vendors or clients of the company).

Salary

Individual employee salaries are set within the job salary range, based on job performance, competency and the salary budget available. Upon hire, salary is determined based on skills, knowledge and experience in relation to job requirements and anticipated levels of performance. Annual adjustments are assigned based on performance and competence relative to the position and assigned objectives, and as budget allows.

The company will compensate all full-time employees at an annual salary of over 200% of the Federal Poverty Level for a family of two. Further, DNJ is committed to compensating all part-time employees at an hourly compensation rate equal to or over 200% of the hourly compensation of the Federal Poverty Level for a family of two.

Education Opportunities & Training

Responsible employers ensure that their employees are well trained and content with their opportunities for growth both within the workplace and with respect to outside career goals. DNJ's industry research resulted in the discovery of the Cannabis Training Institute (CTI), which provides certification courses for cannabis business employees. CTI offers courses for Robbery Awareness and Workers Health and Safety Training. CTI's training courses range from \$49-299 for a course. DNJ's commitment to its employees and the development of their industry knowledge and skills has influenced our decision to reimburse our employees for up to \$200 dollars of CTI coursework taken in a calendar year.

Compliance

To the extent not otherwise mentioned, all employee policies will be compliant with Humboldt County Code §55.4.11(t) "Employee Safety Practices". This includes the assurance that all employees will be provided with adequate safety training including:

- Emergency action response planning
- Employee accident reporting and investigation policies
- Fire prevention
- Hazard communication policies, including maintenance of material safety data sheets
- Materials handling policies
- Job hazard analyses
- Personal protective equipment policies, including respiratory protection

Visibly posted will be an emergency contact list with at least:

- Operation manager contacts
- Emergency responder contacts
- Poison control contacts

DNJ shall comply with all applicable federal, state and local laws and regulations governing California Agricultural Employers, including federal and state wage and hour laws, CAL/OSHA, OSHA, California Agricultural Relations Act, and the Humboldt County Code.

Posted Employee Policies

All DNJ staff will receive thorough safety and hygiene training. Gloves, goggles, respirators, and any other relevant safety materials will be made available. The following document will be visibly posted in the facility:

EMPLOYEE SAFETY & HYGIENE

GENERAL RULES

Familiarize yourself with emergency procedures for each location. You are responsible for knowing how to react in an emergency situation. Contact your supervisor if you do not know emergency procedures.

Good housekeeping should be maintained at all times. Walkways and work areas are to be kept clear of materials, trash, equipment and debris.

Obey all "No Smoking" signs. Observe designated smoking areas and always extinguish cigarettes in the appropriate containers (butt cans).

Fire equipment (hydrants, extinguishers, sprinklers, hoses, etc.) must be accessible at all times.

Report accidents immediately to your supervisor and/or medical personnel. Follow instructions given to you when referred for medical treatment for any injury and retain documentation. All injuries must be reported on the date of occurrence.

Wear appropriate clothing and any required personal protective equipment (PPE). A shirt and proper footwear should be worn at all times. Safety glasses must be worn when operating equipment or performing work where cannabis cultivation occurs.

Medication which might interfere with your alertness or ability to perform your work should be used only under a doctor's direction. If you feel that any medication is impairing your work, please discuss this with your supervisor. Do not work while under the influence of illegal drugs or alcoholic beverages. Don't put yourself or your fellow workers at risk.

Attend all Staff Safety Meetings.

LIFTING AND MOVING OBJECTS

Lifting loads improperly can cause back injuries.

Make sure you get the appropriate assistance when lifting or moving heavy or awkward objects. Avoid lifting such objects whenever possible by using carts, dollies and other mechanical devices or GET ADEQUATE HELP.

Check your intended path for obstructions.

CHEMICALS AND SENSITIVE MATERIALS

Make sure all pesticides and fertilizers are properly labeled. Store all pesticides and fertilizers in approved safety containers or cabinets. Nutrients, equipment, and other materials shall always be stored in proper areas.

You should know and follow proper handling and storage procedures for all chemicals and sensitive materials.

Ensure that there is proper ventilation and wear appropriate personal protective equipment (PPE).

ELECTRICAL SAFETY

Properly maintain all electrical equipment and wiring; no live parts should be exposed. Use equipment only for its intended purpose, and never exceed maximum outputs.

ENVIRONMENTAL CONCERNS

Be aware of biological hazards such as mold, fungus, bacteria, insects and other potentially infectious materials. Report all concerns to supervisor immediately.

In addition to the employment hygiene and safety regulations outlined above, DNJ has already improved its infrastructure and is in the process of applying for permits for updated toilets and hand-washing facilities. Further, DNJ is undergoing permitting procedures and development of an on-site well to ensure safe drinking water for employees.

ATTACHMENT 4

REFERRAL AGENCY COMMENTS AND RECOMMENDATIONS

The project was referred to the following agencies for review and comment. The agencies that provided written comments are indicated with a check under Response.

| Referral Agency | Response | Recommendation | Location |
|---|----------|--------------------------|--------------------------|
| Humboldt County Department of Health & Human Services | ✓ | Approved | On-File |
| Humboldt County Department of Building Inspection | ✓ | Approved | On-File |
| Humboldt County Public Works, Land Use Division | ✓ | Approved with Conditions | On-File |
| Northwest Information Center (NWIC) | ✓ | Memo | On-File and Confidential |
| Bear River Band of the Rohnerville Rancheria | ✓ | Email | On-File |

ATTACHMENT 5
PUBLIC COMMENTS