



**AND COUNTY OF HUMBOLDT
PLANNING AND BUILDING DEPARTMENT
CURRENT PLANNING DIVISION**

3015 H Street Eureka CA 95501
Phone: (707)445-7541 Fax: (707) 268-3792

Hearing Date: December 3, 2020

To: Humboldt County Planning Commission

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

Subject: **Ixxco, Inc. Conditional Use Permit Modification**
Application Number 16552
Case Number PLN-2020-16552
Assessor Parcel Numbers 522-221-008
39057 State Highway 299, Willow Creek

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A. PLN-2018-15131 STAFF REPORT	Separate

Please contact Devin Sutfin, Planner, at 268-3778 or by email at dsutfin1@co.humboldt.ca.us, if you have any questions about the scheduled public hearing item.

AGENDA ITEM TRANSMITTAL

Hearing Date	Subject	Contact
December 3, 2020	Conditional Use Permit Modification	Devin Sutfin

Project: A Modification to a project and previously approved Conditional Use Permit to allow commercial processing of commercial cannabis. The approved Conditional Use Permit allows for Nonflammable (Non-Volatile) Manufacturing as well as Distribution activities in an existing 4,792 square foot structure in accordance with Section 314-55.4 of Chapter 4 of Division 1 of Title III of the Commercial Cannabis Land Use Ordinance (CCLUO). The proposed activity would allow Off-Site Processing, or 3rd party processing. Under the modified project the applicant will dry, cure, trim, sort, grade and package commercial cannabis from licensed cultivators. Water is sourced from the Willow Creek Community Services District (WCCSD). Sewer is provided by an onsite septic and the applicant will connect to WCCSD's future community sewer system when available. Electricity is provided by PG&E and the applicant has enrolled in the "Repower+" program to obtain renewable energy. The hours of operation for activities would be from 8:00 AM to 6:00 PM, Monday through Saturday, closed on Sunday and all federally recognized holidays. The CCLUO section 55.4.5.1.4 (a) requires a Conditional Use Permit for any Commercial Cannabis Activity within the Willow Creek Community Planning Area.

Project Location: The project is in the Willow Creek area, on the north side of State Highway 299, approximately 280 feet east from the intersection of State Highway 299 and State Highway 96, on the property known as 39057 State Highway 299.

Present Plan Designations: Mixed-Use (MU); Willow Creek Community Planning Area (WCCPA); Relative Slopes Stability: C (Low to Moderate Instability).

Present Zoning: Community Commercial (C-2)

Application Number: 16552

Case Number: PLN-2020-16552

Assessor Parcel Numbers: 522-221-008-000

Applicant

IXXCO, Inc.
Mark Schaeffer
PO Box 1352
Blue Lake, CA 95525

Owner

Maple One, LLC
PO Box 1352
Blue Lake, CA 95525

Agent

Same as applicant

Environmental Review: None required. CEQA Exemption Section: 15301-Existing Facilities

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

Ixxco, Inc.
Conditional Use Permit Modification
Case Number PLN-2020-16552
Assessor Parcel Numbers: 522221-008-000

Recommended Zoning Administrator 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:

Find the project exempt from environmental review pursuant to Sections 15301 of the State CEQA Guidelines, make all of the required findings for approval of the Conditional Use Permit Modification, based on evidence in the staff report, and adopt the Resolution approving the Ixxco, Inc. Conditional Use Permit Modification subject to the recommended conditions.

Executive Summary:

The applicant is requesting a Conditional Use Permit to modify an existing project to allow Off-Site Processing of commercial cannabis. The modification will not change the project footprint. No additional structures are proposed. The modified project has been conditioned to require a parking study to determine the availability of parking on State Highway 299 if the operation increases the number employees.

The previously approved Conditional Use Permit authorized operation of a Non-flammable (non-volatile) Manufacturing as well as a Distribution Facility for commercial cannabis. A dry-ice extraction method is used to make hash which will not require water. The previously approved Conditional Use Permit allows up to five (5) employees at peak shift. An ethanol extraction method using a rotary evaporator is used to manufacture oil extracts for edibles, topicals and vape style cartridges. The Modification proposes adding Off-Site Processing to the operation, which includes trimming cannabis flower, and includes grading, drying, curing, sorting and packaging of cannabis. All activities would take place inside the insulated and enclosed building.

Operations and deliveries will occur from 8:00 AM to 6:00 PM Monday through Saturday, closed on Sundays and all federally recognized holidays. Employees will not exceed an 8-hour work shift. An onsite staff person will be available during all hours of operation contact information will be posted so a staff person may be reached 24 hours per day, 7 days a week to respond to inquiries immediately. The site will be monitored 24 hours per day by Advanced Security Systems. Commercial grade doors and access lock requiring a pass code or security card will be used at all entrances. The facility is not open to the public and all windows are opaque. No large advertisement signage will be posted, only the sign listing contact numbers in case of an emergency.

The facility is located in Downtown Willow Creek and accessed from Highway 299. Bigfoot Motel borders the western and northern sides of the parcel and commercial strip malls are located adjacent to the eastern side of the proposed project, and across the street (Highway 299). These strip malls provide neighborhood commercial and retail services to the community. An auto parts store borders the eastern side and heavy equipment and auto repair shops nearby. Additionally, there is an herbal wellness store on the other side of the Big Foot Motel. A residential neighborhood begins approximately 830 feet to the east on Willow Way.

Because the project is within the Willow Creek Community Planning Area, a Notice of Application was sent to property owners within 1000 feet of the project site. A public comment was received

on October 1, 2020 concerning issues of odor emanating from the operation. Staff investigated this public comment as a potential complaint and requested a continuance of the October 1, 2020 hearing to conduct an inspection. This was the first and only potential complaint received since project was approved March 21, 2019 and was a result of the Notice sent to neighboring parcel owners. An inspection was conducted on October 30, 2020, and the operation was in compliance with the terms and conditions of the approved Conditional Use Permit. No odor was detected outside the operation. As a result of the odor complaint and prior to the inspection, the operator installed four carbon filters inside the building, in addition to existing carbon filtration within the HVAC system. The four additional carbon filters are attached to fans circulating 2,200 cubic feet per minute designed to scrub odors from building interior. County staff also interacted with the onsite manager of the adjacent motel who reported there has been no adverse odors emanating from the operation.

In order to address concerns raised during public testimony about noise and odors, the originally approved project was conditioned to require odor mitigation by incorporating a ventilation/air filtration system to limit potential adverse odor emission impacts to surrounding properties, as well as, limiting the hours of operation as described above. Initially, the applicant proposed operations to occur between 6:00 AM and 10:00 PM but reduced the hours of operation to 8:00 AM to 6:00 PM to address concerns about noise and to otherwise make the project more consistent with the mixed-use designation of the neighborhood. Additionally, the project is conditioned to provide the Planning Director or his/her designee, the Sheriff, and all neighboring property owners within three-hundred (300) feet of the project parcel with the name, telephone number of an on-site representative of the project to whom one can provide notice if there are operating problems associated with the facility. The project shall make every good faith effort to encourage neighbors to call this contact person to try and solve problems, if any, before calls or complaints are made to the Sheriff or Planning Director. Should problems arise that cannot be adequately resolved in this group-setting, the disgruntled party can petition the Planning Commission to initiate the process of permit revocation per §312-14, Humboldt County Code. All previous Conditions of Approval still apply and must be demonstrated as complete prior to initiation of operations.

Staff Recommendations: Based on on-site inspections, a review of Planning Division reference sources, conditions of approval, 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 approving the Conditional Use Permit Modification. Staff recommends conditional approval of the project.

Alternatives: The Planning Commission could elect not to approve the project, or to require the applicant to submit further evidence, or modify the project. These alternatives could be implemented if the Commission is unable to make all of the required findings. Planning Division staff has stated that the required findings in support of the proposal have been made. Consequently, Planning staff does not recommend further consideration of the alternatives.

**RESOLUTION OF THE ZONING ADMINISTRATOR
OF THE COUNTY OF HUMBOLDT
Resolution Number 20-__
Case Number PLN-2020-16552
Assessor Parcel Number 522-221-008-000**

Makes the required findings for certifying Ixxco, Inc. Conditional Use Permit Modification.

WHEREAS, Ixxco, Inc. submitted an application for a Conditional Use Permit Modification and evidence in support of onsite processing of commercial cannabis; and

WHEREAS, the project is categorically exempt from environmental review per Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines; and

WHEREAS, Attachment 2 in the Planning Division staff report includes evidence in support of making all of the required findings for approving the proposed Conditional Use Permit Modification (Case Number PLN-2020-16552); and

WHEREAS, a public hearing was held on the matter before the Humboldt County Planning Commission on December 3, 2020.

NOW, THEREFORE, be it resolved, determined, and ordered by the Planning Commission that:

1. The Planning Commission finds the proposed Conditional Use Permit Modification application is categorically exempt from environmental review pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act (CEQA); and
2. The Planning Commission makes the findings in Attachment 2 of the Planning Division staff report for Case Number PLN-2020-16552 based on the submitted evidence; and
3. The Planning Commission approves the Conditional Use Permit Modification applied for as recommended and conditioned in Attachment 1 for Case Number PLN-2020-16552.

Adopted after review and consideration of all the evidence on December 3, 2020.

The motion was made by Commissioner _____ and second by Commissioner _____.

AYES: Commissioners:

NOES: Commissioners:

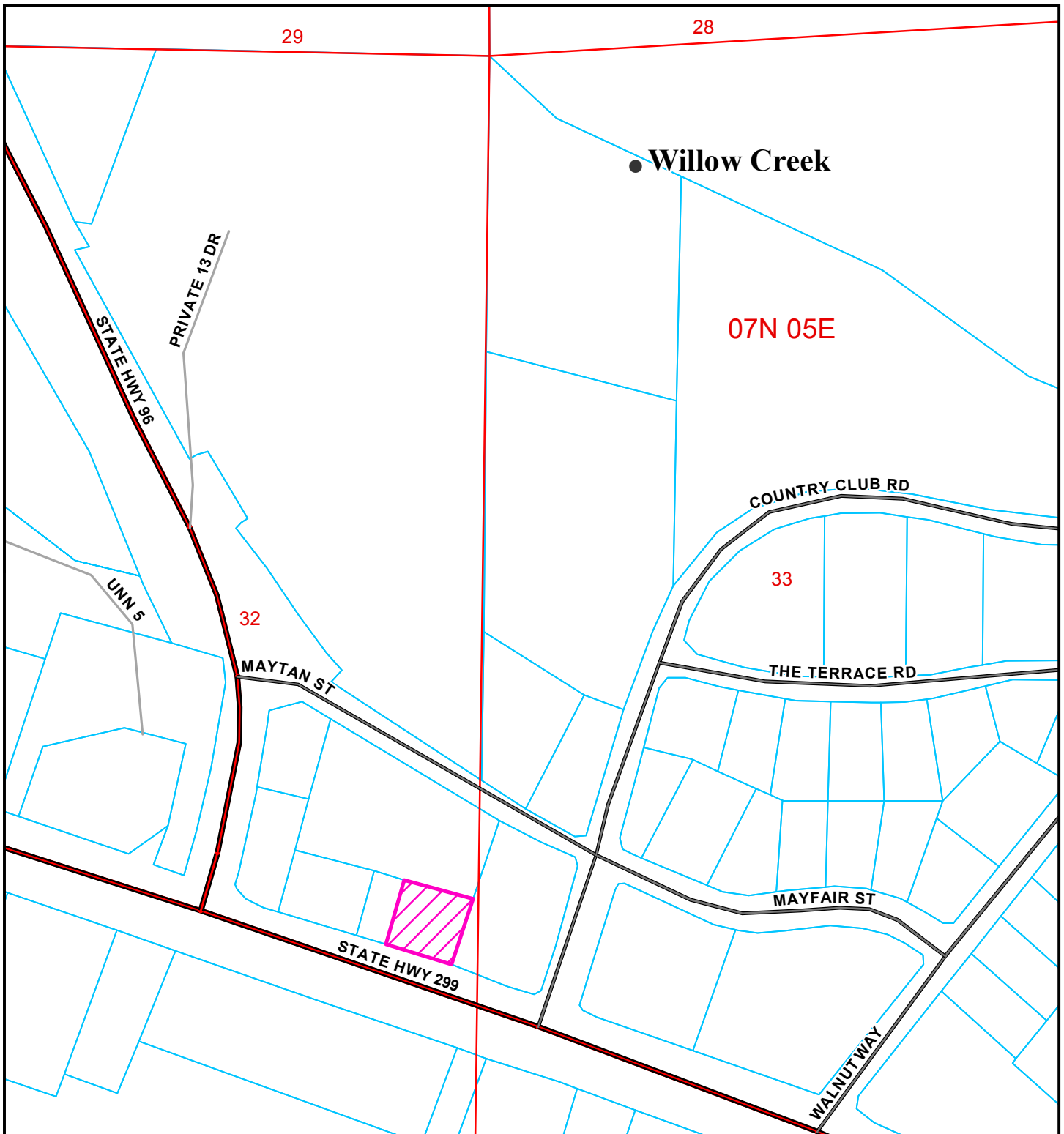
ABSENT: Commissioners:

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



LOCATION MAP

**PROPOSED IXXCO INC
CONDITIONAL USE PERMIT
WILLOW CREEK AREA**

PLN-2018-15131

APN: 522-221-008

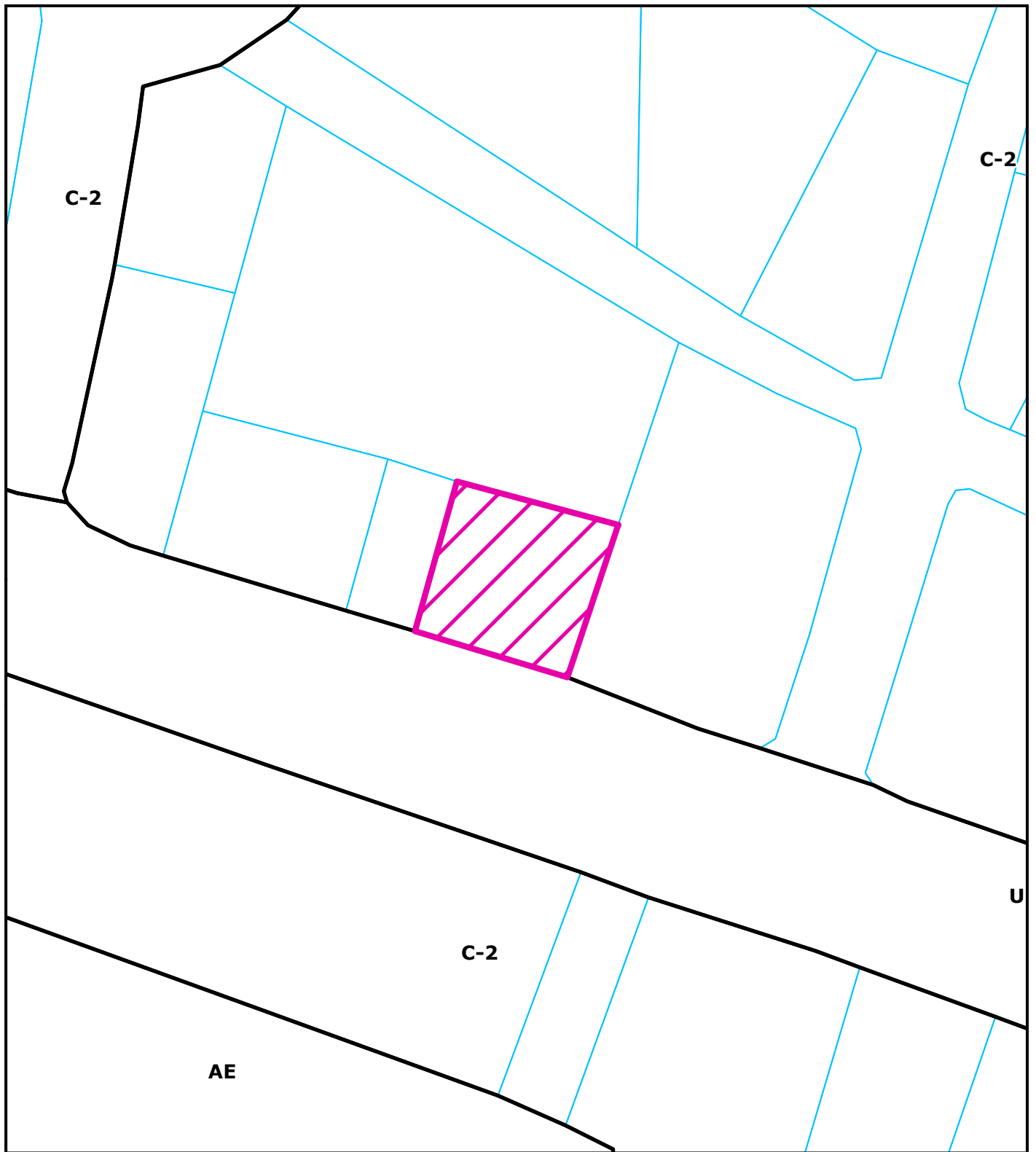
T07N R05E S02 HB&M (Willow Creek)

Project Area = 

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.



0 250 Feet




Project Area = 

**ZONING MAP
PROPOSED IXXCO, INC
WILLOW CREEK AREA
PLN-2018(CUP2)
APN: 522-221-008
T07N R05E S32 HB&M (WILLOW CREEK)**



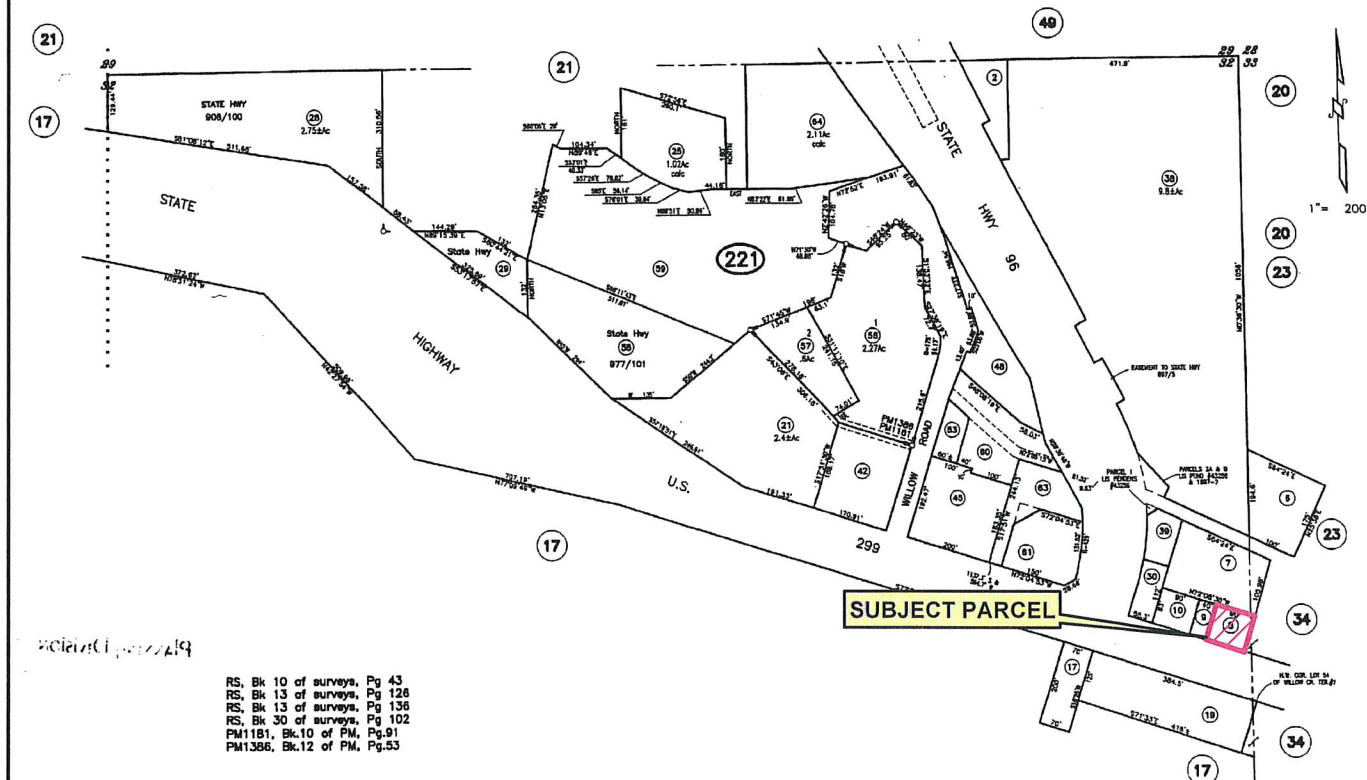
This map is intended for display purposes and should not be used for precise measurement or navigation. Data has not been completely checked for accuracy.

0 95 190 Feet



PTN SECS.32 & 33, T7N, R5E H.B.& M.

522-22



RS, Bk 10 of surveys, Pg 43
 RS, Bk 13 of surveys, Pg 126
 RS, Bk 13 of surveys, Pg 136
 RS, Bk 30 of surveys, Pg 102
 PM1181, Bk.10 of PM, Pg.91
 PM1356, Bk.12 of PM, Pg.53

ASSOR'S PARCEL MAP
 A MAP WAS PREPARED FOR
 EMENT PURPOSES ONLY.
 LIABILITY IS ASSUMED FOR
 ACCURACY OF THE DATA SHOWN.
 ASSOR'S PARCELS MAY NOT
 APPLY WITH LOCAL LOT-SPLIT
 BUILDING SITE ORDINANCES.

Mar 29, 2012

NOTE - Assessor's Block Numbers Shown in Ellipses
 Assessor's Parcel Numbers Shown in Circles.

Assessor's Map Bk. 522, Pg.22
 County of Humboldt, CA.

50' 100' 200'

ASSESSOR PARCEL MAP

PROPOSED IXXCO INC
 CONDITIONAL USE PERMIT
 WILLOW CREEK AREA

PLN-2018-15131

APN: 522-221-008

T07N R05E S02 HB&M (Willow Creek)



Project Area =

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.

MAP NOT TO SCALE



Project Area = 

**AERIAL MAP
PROPOSED IXXCO, INC
WILLOW CREEK AREA
PLN-2018(CUP2)
APN: 522-221-008
T07N R05E S32 HB&M (WILLOW CREEK)**

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 65 130 Feet





TOPO MAP

PROPOSED IXXCO INC
CONDITIONAL USE PERMIT
WILLOW CREEK AREA

PLN-2018-15131

APN: 522-221-008

T07N R05E S02 HB&M (Willow Creek)

Project Area = 

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.



0 250
Feet



STEEL:

- ALL HIGH STRENGTH BOLTING INSPECTIONS WILL BE CONTINUOUS.

CONCRETE:

- STATE REGULATED WILD LAND FIRE STANDARDS

- EACH CONTRACTOR RESPONSIBLE FOR THE CONSTRUCTION OF A MAIN WIND- OR SEISMIC-FORCE-RESISTING SYSTEM, DESIGNATED SEISMIC SYSTEM OR A WIND OR SEISMIC-RESISTING COMPONENT LISTED IN THE STATEMENT OF SPECIAL INSPECTIONS SHALL SUBMIT A WRITTEN STATEMENT OF RESPONSIBILITY TO THE BUILDING OFFICIAL, AND THE OWNER PRIOR TO THE COMMENCEMENT OF WORK ON THE SITE OF THE PROJECT. EACH CONTRACTOR'S STATEMENT OF RESPONSIBILITY SHALL CONTAIN ACKNOWLEDGEMENT OF AWARENESS OF THE SPECIAL REQUIREMENTS CONTAINED IN THE STATEMENT OF SPECIAL INSPECTION.

ENGINEER OF RECORD SHALL BE RESPONSIBLE FOR REVIEWING AND COORDINATING ALL SUBMITTAL DOCUMENTS PREPARED BY OTHERS, INCLUDING DEFERRED SUBMITTAL ITEMS, FOR COMPATIBILITY WITH THE DESIGN OF THE BUILDING.

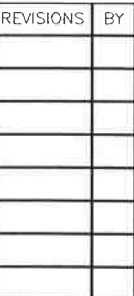
BUILDING SHALL COMPLY WITH 2013 CALIFORNIA BUILDING CODE (CBC), 2013 CALIFORNIA PLUMBING CODE (CPC), 2013 CALIFORNIA MECHANICAL CODE (CMC), 2013 CALIFORNIA ELECTRICAL CODE (CEC), 2013 CALIFORNIA ENERGY EFFICIENCY STANDARDS CODE, 2013 CALIFORNIA FIRE CODE (CFG), 2013 GREEN BUILDING STANDARDS CODES, AND ALL APPLICABLE CODES.

RETAIL (MAX.) - 3560 /30	M-occup.	119
WAREHOUSE - 312 /500	S-1 occup.	1
MEZZANINE - 920 /300	S-1 -occup.	3
TOTAL OCCUP. LOAD		123

- PROVIDE A COPY OF THE OPERATION AND MAINTENANCE MANUAL TO THE BUILDING OCCUPANT OR OWNER PER CBC SEC. 5.410.4.5. TO BE A DEFERRED SUBMITTAL.
- AN AUTOMATIC FIRE SPRINKLER SYSTEM SHALL BE INSTALLED PER 2013 CBC SEC 903, DESIGN SHALL BE A DEFERRED SUBMITTAL.
- SOLAR PANEL INSTALLATION WILL BE UNDER A SEPARATE PERMIT.

REPLACE EXISTING BERM/DRAIN STRUCTURE ON
EXISTING NON-CONFORMING ITEMS TO REMAIN,
INCLUDING BUT NOT LIMITED TO PARKING LOT AND
ECONOMY CAR WASHES.

STRUCTURE WILL BE RE-BUILT WITH SRA STANDARDS,
REQUIRED FIRE WALLS, AND SPRINKLER SYSTEM.



Atkins Drafting ~ Sarah J. Atkins
2814 G STREET EUREKA, CA 95501
PH. (707) 443-3492 Rnsatkins@sbcglobal.net

39057 ST. HWY. 299 WILLOW CREEK, CA 95573
APN 522-221-008
FOR: PACIFIC BUILDERS PH. (707) 822-7720

OCT. 5, '16
AS NOTED
SJA
SJA

ATTACHMENT 1

RECOMMENDED CONDITIONS OF APPROVAL

APPROVAL OF THE CONDITIONAL USE PERMIT IS CONDITIONED ON THE FOLLOWING TERMS AND REQUIREMENTS WHICH MUST BE SATISFIED.

1. All previously approved conditions for Conditional Use Permit PLN-2018-15131 and are incorporated herein by reference.
2. The total number of employees present at one time may not exceed five (5). Before the number of employees can increase above five (5), a parking study must be conducted and submitted to the Planning and Building Department for review and approval.

Operation Restrictions:

1. The hours of operation for the manufacturing, distribution and off-site processing facility shall be Monday through Saturday, 8:00 AM to 6:00 PM, and closed Sunday and all federally recognized holidays.
2. Non-flammable extraction is limited to dry-ice and ethanol-based methods.
3. No more than ten (10) employees may be utilized during peak operations.
4. No water-based extraction and manufacturing until the project connects to the Willow Creek Community Services District wastewater system, when available.
5. The project will provide adequate security on the premises, including lighting, alarms and law enforcement notification, to ensure the safety of persons and to protect the premises from theft.
6. The manufacturing, distribution and off-site processing facility shall operate at all times in conformance with the provisions of Humboldt County Commercial Cannabis Land Use Ordinance (CCLUO) meeting all applicable the Performance Standards in Section 314-55.4.12.
7. No cannabis shall be smoked, ingested, or otherwise consumed on the premises.
8. All electricity utilized by the Commercial Cannabis activity shall conform to one or more of the following standards:
 - Grid power supplied from 100% renewable source
 - On-site renewable energy system with twenty percent net non-renewable energy use
 - Grid power supplied by partial or wholly non-renewable source with purchase of carbon offset credits.
9. The project shall not hold or maintain a license from the State Department of Alcohol Beverage Control to sell alcoholic beverages or operate a business that sells alcoholic beverages.

10. As identified under the 2008 Attorney General Guidelines (for the Security and Non-Diversion of Marijuana Grown for Medical Use), the project shall "track and record the source of their marijuana" and keep records of its division and distribution.
11. The project shall permit the Planning Director or his/her designee to have access to the entities' books, records, accounts, and any and all data relevant to its permitted activities for the purpose of conducting an audit or examination in order to determine compliance with the conditions of the Conditional Use Permit(s). Books, records, accounts, and any and all relevant data will be produced no later than twenty-four (24) hours after the request from the Planning Director or his/her designee.
12. The project shall provide the Planning Director or his/her designee, the Sheriff, and all neighboring property owners within three-hundred (300) feet of the establishment with the name, telephone number of an on-site representative of the project to whom one can provide notice if there are operating problems associated with the facility. The project shall make every good faith effort to encourage neighbors to call this contact person to try and solve problems, if any, before calls or complaints are made to the Sheriff or Planning Director. Should problems arise that cannot be adequately resolved in this group-setting, the disgruntled party can petition the Planning Commission to initiate the process of permit revocation per §312-14, Humboldt County Code.
13. There is to be no loitering on or about the premises at any time. Further, the Sheriff shall provide to the Planning Director and/or his/her designee a list of any complaints and law enforcement related problems associated with the project, upon request.
14. The applicant is responsible for obtaining all necessary County and State permits and licenses, and for meeting all of the requirements as set forth by other regulatory agencies.
15. The project shall participate in inspections to verify that all cannabis products are being manufactured and distributed in compliance with all state and local regulations. Inspections are intended to ensure that grower-members are legal and compliant in the products they store, and that storage is done in a safe and sustainable manner, away from public view, and inaccessible to minors.
16. A review fee for Conformance with Conditions as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors (currently \$750.00) shall be paid to the Humboldt County Planning Division, 3015 "H" Street, Eureka. This fee is a deposit, and if actual review costs exceed this amount, additional fees will be billed at the County's current burdened hourly rate.
17. Methods used to track inventories, quantities, and distribution between verified members will match "standard industry procedures" which includes the following:
 - All incoming cannabis will be assigned a lot number which will be retained as medicine is subsequently divided and distributed to members
 - All cannabis will be tracked by the gram
 - 'Quickbooks' or similar software shall be used as a point of sale to record transactions, inventory, invoicing, and revenue-related record keeping.

18. The cannabis project shall be inspected by the Humboldt County Sheriff or his/her designee and either members of the Code Compliance Division of Planning and Building or the Code Enforcement Investigator on an annual basis, or more frequently as requested by the Planning Commission, to determine if the cooperative or delivery service is in compliance with its Conditional Use Permit and Operations Manual. After payment of the inspection fees as indicated in the following section, a copy of the results from this inspection shall be given to the cannabis project, cooperative or delivery service for inclusion in their "Performance Review Report" to the Planning Commission.
19. Non-compliance by the cannabis project in allowing the inspection by the above-mentioned County personnel, or non-compliance in submitting the annual "Performance Review Report" per the CCLUO section 314-55.4.5.7 for review by the Planning Commission shall be deemed grounds for a revocation of the conditional use permit and/ or subject the holder of the conditional use permit to the penalties outlined in this Code, above. A deposit shall be collected for the County's time spent performing the inspection (based on the fees in effect at the time the request is submitted).

Informational Notes

1. If archaeological resources are encountered during construction activities, all onsite work shall cease in the immediate area and within a 50-foot buffer of the discovery location. A qualified archaeologist will be retained to evaluate and assess the significance of the discovery, and develop and implement an avoidance or mitigation plan, as appropriate. For discoveries known or likely to be associated with Native American heritage (prehistoric sites and select historic period sites), the Tribal Historic Preservation Officers (THPOs) for the Wiyot Tribe, Round Valley Indian Tribes, and the Sinkyone Intertribal Wilderness Council are to be contacted immediately to evaluate the discovery and, in consultation with the County of Humboldt Planning Department, and consulting archaeologist, develop a treatment plan in any instance where significant impacts cannot be avoided. Prehistoric materials may include, but are not limited to, obsidian or chert flakes, tools, locally darkened midden soils, groundstone artifacts, shellfish or faunal remains, and human burials. Historic archaeological discoveries may include, but are not limited to, 19th century building foundations; structural remains; or concentrations of artifacts made of glass, ceramic, metal or other materials found in buried pits, old wells or privies. Should known or suspected Native American skeletal remains or burials be inadvertently discovered, the provisions of Section 7050.5 of the California Health & Safety Code and Section 5097.98 of the Public Resources Code shall apply (see at <http://www.nahc.ca.gov/profguide.html>).

The applicant is ultimately responsible for ensuring compliance with this condition.

2. The applicant is responsible for receiving all necessary permits and/or approvals from other state and local agencies.
3. This permit shall expire and become null and void at the expiration of 18 months, after all appeal periods have lapsed (see "Effective Date"); except where construction under a valid building permit or use in reliance on the permit has commenced prior to such anniversary date. The period within which construction or use must be commenced may be extended as provided by Section 312-11.3 of the Humboldt County Code.
4. The applicant is required to pay for permit processing on a time and material basis as set forth in the schedule of fees and charges as adopted by ordinance of the Humboldt County Board of Supervisors. 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. The Department will provide a bill to the applicant upon file close out after the Planning Director's decision.

ATTACHMENT 2
EVIDENCE SUPPORTING THE REQUIRED FINDINGS

Required Findings: To approve this project, the Planning Commission must determine that the applicant has submitted evidence in support of making **all** of the following required findings.

The County Zoning Ordinance, Sections 312-1.1.2 and 312-17.1 of the Humboldt County Code (Required Findings for All Discretionary Permits) specifies the findings that are required to grant a Conditional Use Permit:

1. The proposed development is in conformance with the County General Plan, Open Space Plan and Open Space Action Program;
2. The proposed development is consistent with the purposes of the existing zone in which the site is located;
3. The proposed development conforms with all applicable standards and requirements of these regulations; and
4. The proposed development and conditions under which it may be operated or maintained will not be detrimental to the public health, safety, or welfare; or materially injurious to property or improvements in the vicinity.
5. 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 unless the following written findings are made supported by substantial evidence: 1) the reduction is consistent with the adopted general plan including the housing element; and 2) the remaining sites identified in the housing element are adequate to accommodate the County share of the regional housing need; and 3) the property contains insurmountable physical or environmental limitations and clustering of residential units on the developable portions of the site has been maximized.
6. In addition, the California Environmental Quality Act (CEQA) states that one of the following findings must be made prior to approval of any development which is subject to the regulations of CEQA. The project either:
 - a. Is categorically or statutorily exempt; or
 - b. Has no substantial evidence that the project will have a significant effect on the environment and a negative declaration has been prepared; or
 - c. Has had an environmental impact report (EIR) prepared and all significant environmental effects have been eliminated or substantially lessened, or the required findings in Section 15091 of the CEQA Guidelines have been made.

1. The proposed development is consistent with the General Plan. The following table identifies the substantial evidence which supports finding that the proposed development is in conformance with all applicable policies and standards of the Humboldt County General Plan 2017 and the Willow Creek Community Plan (WCCP).

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Land Use Chapter 4	The Mixed Use (MU) designation is intended for lands in central areas of urban communities where the presence of public utilities and a sufficient population base allows the development of pedestrian-oriented, mixed-use (commercial, office and residential) development. Primary and compatible uses include neighborhood commercial, retail sales and services, office and professional uses, and residential uses.	The project proposes the use of an existing building created lawfully for a commercial use for cannabis processing to serve as a secure holding place for cannabis product that will be transported to retail distributors or directly to licensed dispensaries. The proposed use is consistent with the primary and compatible uses allowed within the MU designated areas. In addition, the parcel's C-2 zoning is intended to implement the MU designation, and the CCLUO specifies that C-2 is an appropriate zone district for manufacturing, distribution and commercial processing facilities.
Community Infrastructure and Services Chapter 5	Capacity of and sizing of road and drainage facilities in coordination with water and wastewater service providers shall be evaluated to determine adequacy for proposed land uses and discretionary development. (IS-P7)	Access to the project is directly off of State Highway 299, a paved public road, to a paved parking lot. The Public Works Department has indicated that the road is not in their jurisdiction and to contact Caltrans. Caltrans was contacted through the referral process and a follow-up email. Verbal comments via a phone call of February 28, 2019 stated access meets Caltrans regulations because a Caltrans permit has been issued. Water service is provided by the Willow Creek Community Services District who provided a "Will Serve" letter on October 1, 2018. Sewer is provided by a permitted onsite septic.

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
Circulation Chapter 7	<p>Goals and policies contained in this Chapter relate to a balanced, safe, efficient, accessible and convenient circulation system that is appropriate for each type of unincorporated community (C-G1, C-G2); coordinated planning design, development, operations, and maintenance between the County and other transportation system service providers (C-G3); and access for all transportation mode types with improved opportunities to move goods within, into and out of Humboldt County. (C-G4, C-G5)</p> <p>Related policies: C-P3, Consideration of Transportation Impacts in Land Use Decision Making.</p>	<p>Access to the project is directly off of State Highway 299, a paved public road, to a paved parking lot. The Public Works Department stated that because the project fronts a State highway, their department had no comments. Caltrans was contacted through the referral process and a follow-up email. Verbal comments via a phone call of February 28, 2019 stated access meets Caltrans regulations because a Caltrans permit has been issued. The commercial building and associated off-street parking was lawfully built (BDL-16-002 Apps# 10140) and Caltrans comments from that process indicated that the proposed construction was not within Caltrans right-of-way and recommended the "parking spaces be delineated on a skewed angle to improve flow of vehicles into, and through, the parking area from Highway 299 and to reduce the potential safety conflicts between backing-vehicles and pedestrians using the sidewalk."</p>
Safety Element Chapter 14 Fire Hazards	<p>Goals and policies of this Chapter encourage development designed to reduce the risk of structural and wildland fires supported by fire protection services that minimize the potential</p>	<p>The parcel is in an area of Low Fire rating with a Very High Fire Hazard Severity rating. The parcel is also located within a State Responsibility Area (SRA). Calfire's referral response stated, "No comment at this time." The permitted building meets all State Regulated Wild Land Fire Standards and is equipped with fire sprinklers with its own dedicated water line. The Willow Creek Volunteer Fire Department received a project referral but provided not comments.</p>
Safety Element Chapter 14 Flooding	<p>Goals and policies contained in this Chapter relate to the use of natural drainage channels and watersheds that are managed to minimize peak flows in order to reduce the severity and frequency of flooding. (S-G3)</p>	<p>The project site is not located in a 100 Year Flood Zone according to the Flood Insurance Rate Map (FIRM) Panel No. 06023C0760F.</p>

Plan Section	Summary of Applicable Goal, Policy or Standard	Evidence Which Supports Making the General Plan Conformance Finding
<p>Safety Element Chapter 14</p> <p>Geologic & Seismic</p>	<p>Goals and policies contained in this Chapter relate to communities that are designed and built to minimize the potential for loss of life and property resulting from natural and manmade hazards; and to prevent unnecessary exposure to areas of geologic instability, floodplains, tsunami run-up areas, high risk wildland fire areas, and airport areas planned and conditioned to prevent unnecessary exposure of people and property to risks of damage or injury. (S-G1, S-G2)</p> <p>Related policies: S-P11, Site Suitability; and S-P7, Structural Hazards.</p>	<p>Geologic hazard maps show the majority of the property to be relatively stable (low instability) with a small portion rated as Moderate Instability. The entire site is developed and flat with a slope of less than 1%. The permitted commercial building is also equipped with fire sprinklers. Since no new exterior construction is proposed, no soils report is required.</p>
<p>Biological Resources Section 10.3</p>	<p>Protect designated sensitive and critical resource habitats.</p>	<p>There is one mapped sensitive plant encompassing the entire Willow Creek community area areas and the proposed project parcel but there are no known threatened or endangered species specifically identified on the parcel. The parcel is fully developed and does not proposed any changes to the exterior of the building and California Department of Fish and Wildlife did and provide comments or recommendations for the proposed project.</p>
<p>Cultural Resources Section 10.6</p>	<p>Goals and policies contained in this Chapter relate to the protection and enhancement of significant cultural resources, providing heritage, historic, scientific, educational, social and economic values to benefit present and future generations (CU-G1, Protection and Enhancement of Significant Cultural Resources)</p>	<p>No new construction is proposed, so no ground disturbance will occur. Nonetheless, the project is conditioned to include an inadvertent discovery protocol should the project encounter undocumented cultural resources.</p>

2. Zoning Compliance and 3. Conforms with applicable standards and requirements of these regulations: The following table identifies the evidence which supports finding that the proposed development is in conformance with all applicable policies and standards in the Humboldt County Zoning Regulations and the Humboldt County Commercial Cannabis Land Use Ordinance (CCLUO).

Zoning Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
§312-1.1.2 Legal Lot Requirement	Development permits shall be issued only for a lot that was created in compliance with all applicable state and local subdivision regulations.	This parcel is deemed to be a legally created parcel, legitimized by some prior action resulting in an approval(s) for development as established by, and pursuant to California Government Code Section 66499.35(c). (Prior permits issued on this parcel include Building Permits 17-1219-P-6 and 07-0625A6). There is no evidence indicating there have been any subsequent acts to merge or divide this parcel. Therefore, the subject parcel is considered to be a legal parcel under the applicable state and local subdivision regulations and can be developed as proposed.
§314-2.2 Community Commercial	The C-2 zone allows for commercial facilities that are of a light commercial character, conducted completely within an enclosed building.	The approved project is a Conditional Use Permit for a cannabis non-flammable manufacturing and distribution facility conducted completely within an enclosed building. The proposed off-site processing activity is specifically allowed in this zone district with a Zoning Clearance Certificate under CCLUO Section 55.4.8.4. However, the project requires issuance of a Conditional Use Permit to proceed per CCLUO Section 55.4.5.1.4 because the project site is located within the Willow Creek Community Planning Area.
Development Standards	Community Commercial Zone (C-2)	
Minimum Lot Area and Lot Width:	Area: 2,000 sq. ft. Width: 25 feet.	The subject parcel is approximately 7,470 square feet and the width is approximately 90 feet.
Maximum Ground Coverage:	None specified.	48%
Min. Yard Setbacks	Front: None. Rear: Fifteen feet (15'), except that where a rear yard abuts on an alley, such rear yard may be not less than 5 feet. Side: None.	Front: 30 feet. Rear: 5 Feet. Side: 2 feet 6 inches & 0 feet. Per March 16, 2016 Burndown letter (BDL16-002) the original building was legally constructed in 1955 prior to current zoning regulations there for it could be re-built within 2 years of the initial casualty date. As a result, the building was constructed under Building Permit No. 17-327-B-6 and is a legal non-

Zoning Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
		conforming structure and therefore meets the required rear setback
Max. Building Height:	75 feet	Approximately 26 feet.

<p>§314-109.1.3.4 Off-Street Parking Industrial Uses</p> <p><u>Manufacturing.</u> The higher of one parking space for each 1,500 square feet of gross floor space within all enclosed building areas or one (1) parking space for each employee at the peak shift. A minimum of two (2) parking spaces are required.</p> <p><u>Warehouse.</u> The higher of one (1) parking space for every four (4) employees or one (1) parking space for each 2,500 square feet of gross floor area.</p> <p><u>Loading Spaces Required.</u> One (1) loading space for each 20,000 square feet of gross floor area, or portion thereof.</p>	<p>The existing structure is approx. 4,792 square feet is occupied by a cannabis non-flammable manufacturing and distribution facility, proposing additional use of off-site processing. Five (5) parking spaces are provided, of which one is ADA-compliant, and there is one loading dock space. Per a March 16, 2016 Burndown letter (BDL16-002) the original building was legally constructed in 1955 prior to current zoning regulations there for it could be re-built within 2 years of the initial casualty date without adhering to current parking standards. As a result, the building was constructed under Building Permit No. 17-327-B-6 as a legal non-conforming structure. The project is conditioned to decrease maximum number of employees during peak operations from six (6) to five (5) to ensure there is one parking pace per employee during peak operations.</p>
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314-55.4 Commercial Cultivation, Processing, Manufacturing, Distribution, Testing and Sale of Cannabis Land Use Regulation for the Inland Area of the County of Humboldt – Commercial Cannabis Land Use Ordinance (CCLUO)

Zoning Section and Summary of Applicable Requirement	Evidence that Supports the Required Finding
<p>Eligibility Criteria</p> <p>§314-55.4.6.3.1: Energy Source Electricity must be exclusively provided by a Renewable Energy Source, meeting the Performance Standard for Energy Use.</p>	<p>PGE will provide power for all the proposed facilities operations. The applicant has chosen to purchase only renewable energy from PGE as outlined in the Operations Manual. Staff recommends the project as proposed and previously conditioned will meet the requirements of HCC Section 314-55.4.6.3.1.</p>

Zoning Section and Summary of Applicable Requirement	Evidence that Supports the Required Finding
<p>§314-55.4.7.1</p> <p>All medical cannabis distribution facilities shall operate in compliance with this Code, the MCRSA, and all other applicable state and local laws.</p> <p>Medical cannabis distribution facilities are permitted within AE, AG, FR, U, C-2, C-3, ML, MH, and MB.</p> <p>Distribution facilities shall at all times be operated in such a way as to ensure the safety of patients and staff; to ensure the security of the medical cannabis; and to safeguard against the diversion of medical cannabis for non-medical purposes.</p>	<p>The Operations Plan describes the distribution facility use and operation. A distribution facility is an allowed cannabis activity type permitted with the Conditional Use Permit in a C-2 Zone and Community Planning Area per section 314-55.4.5.1.4.</p> <p>The business will:</p> <ol style="list-style-type: none"> 1. Receive deliveries from regional cannabis farmers; 2. Grade, test, trim, and package cannabis; and 3. Make available processed medical cannabis products to dispensaries throughout the state. <p>No cannabis cultivation will occur on-site.</p> <p>The project is subject to the requirements for processing and handling of medical cannabis set forth in the Commercial Cannabis Land Use Ordinance (CCLUO). These standards are made a part of the project conditions of approval, including product handling protocols during packaging and the requirement that the operator participate in the Track and Trace Program administered by the County Agricultural Commissioner.</p>
<p>§314-55.4.8.2.2 (b) Non-Flammable Extraction Manufacturing activities involving non-flammable extraction may be permitted with a Special Permit within the CH, C-2, C-3, MB, ML, and MH zones.</p>	<p>The project involves non-flammable extraction within a C-2 zone which is in conformance with this requirement. The applicant proposes to use dry-ice and ethanol-based extraction methods to make distillate, vape pens and hash. Additionally, pre-rolled joints will be manufactured.</p>
<p>§314-55.4.7.1 Off-site processing activities may be permitted with a Zoning Clearance Certificate within areas with C-2 zoning designation.</p>	<p>The modified project proposes off-site processing to occur on a parcel with C-2 zoning designation, in accordance with the section's provisions.</p>

<p>§314-55.4.5.1.1 No Commercial Cannabis Activity shall be permitted within six hundred feet (600') of a school.</p> <p>§314-55.4.5.1.2 No Commercial Cannabis Activity shall be permitted within Tribal Lands without the express written consent of the Tribe.</p>	<p>There are no schools within 600 feet of the project site. However, a school bus stop is located within 600-feet of the proposed project, on a side street behind the Bigfoot Motel. Per CCLUO Section 55.4.8.2, manufacturing activities conducted within an Enclosed setting shall not be subject to the setbacks from School Bus Stops prescribed for Open Air Cultivation Activities. CCLUO defines "Enclosed" as a structure employing mechanical ventilation controls in concert with carbon filtration or other equivalent or superior method(s) minimizing the odor of cannabis outside of the structure. The project is conditioned to meet this standard. The site is not located within tribal lands.</p>
<p>§314-55.4.5.1.4 a) A Conditional Use Permit shall be required for any Commercial Cannabis Activity where located within the Sphere of Influence (SOI) of any incorporated city or within any of the following mapped Community Planning Areas (CPA's)... Willow Creek... A Conditional Use Permit shall also be required for any Commercial Cannabis Activity where located within one thousand feet (1,000') of any incorporated city, Tribal Lands, or any of the Community Planning Areas (CPA's) identified herein.</p>	<p>The subject property is located in the Willow Creek Community Planning Area. The project, however, is not located within 1,000 feet of any tribal lands. The original project application includes a Conditional Use Permit which was referred to affected agencies and tribes on January 25, 2019.</p>
<p>§314-55.4.5.1.4 b) Early Notification to Surrounding Areas, nearby Cities, and Tribes. Whenever a permit application for a Commercial Cannabis Activity is located within any of the areas specified in Sections 55.4.5.1.4(a) and has been determined complete for processing in accordance with Section 312-6.1, notice of the proposed project shall be provided to all property owners and occupants by first class mail to the address(es) shown on the latest Assessment Roll within one thousand feet (1,000') of the perimeter of the parcel on which a permit is being requested. The notice shall include the location of the project and a description of the size and type of activity proposed.</p>	<p>Early notification was provided by way of the mailing of a Notice of Application (NOA) to all property owners and occupants within 1,000 feet of the perimeter of the subject property on August 27, 2020.</p>

<p>§314-55.4.5.1.4 c) The Hearing Officer shall consider the potential impacts and cumulative impacts of proposed cannabis activities upon the community as a whole, including impacts to neighboring uses within Cities or their SOI's and buffers, and to residents within CPA's, or Tribal land. The Hearing Officer shall have the discretion to deny any discretionary permit application within these areas if it is found, based on substantial evidence in the record, that the impacts of a proposed activity on the existing uses will have a significant adverse effect on the public health, safety, or welfare.</p>	<p>The subject property is located in the Willow Creek Community Planning Area. The project, however, is not located within 1,000 feet of any tribal lands. Due to the surrounding Neighborhood Commercial uses, the project is conditioned to limit hours of operation and to ensure adequate odor mitigation. Project implementation in accordance with the proposal and conditions of approval will not have a significant adverse effect on the public health, safety, or welfare.</p>
<p>§314-55.4.11 Application Requirements Identifies the Information Required for All Applications</p>	<p>Attachment 3 identifies the information submitted with the application and shows all the required information was received.</p>
<p>§314-55.4.12.1.8 Performance Standards–Road System</p>	<p>As discussed above, State Highway 299, will provide access to the project site. Highway 299 is a paved roadway and is adequate to serve the proposed use. Caltrans verbally confirmed that access is adequate because a Caltrans permit was issued when the building was constructed.</p>
<p>§314-55.4.12.5 Performance Standards–Energy Use All electricity utilized by Commercial Cannabis Cultivation, Manufacturing or Processing activities shall conform to one or more of the following standards:</p> <ul style="list-style-type: none"> • Grid power supplied from 100% renewable source • On-site renewable energy system with twenty percent net non-renewable energy use • Grid power supplied by partial or wholly non-renewable source with purchase of carbon offset credits. 	<p>Electricity will be supplied by Pacific Gas and Electric Company (PG&E). The applicant has chosen to purchase only renewable energy from PG&E as outlined in the Operations Manual. To ensure compliance with this requirement for the life of the project, the cited performance standard is incorporated into the Conditions of Approval of the approved Conditional Use Permit.</p>

4. Public Health, Safety and Welfare. The following table identifies the evidence which supports finding that the proposed development will not be detrimental to the public health, safety and welfare or materially injurious to properties or improvements in the vicinity.

Code Section	Summary of Applicable Requirements	Evidence that Supports the Required Finding
§312-17.1.4	The proposed development will not be detrimental to the public health, safety and welfare, and will not be materially injurious to properties or improvements in the vicinity.	The Department finds that the proposed project will not be detrimental to the public health, safety and welfare since all reviewing referral agencies have approved the proposed project design. The project as proposed and conditioned is consistent with the general plan and zoning ordinances; and the proposed project is not expected to cause significant environmental damage.

5. Residential Density Target: The following table identifies the evidence which supports finding that the proposed project will 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.

Code Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
§312-17.1.5 Housing Element Density	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 (the mid-point of the density range specified in the plan designation), except where: 1) the reduction is consistent with the adopted general plan including the housing element; and 2) the remaining sites identified in the housing element are adequate to accommodate the County share of the regional housing need; and 3) the property contains insurmountable physical or environmental limitations and clustering of residential units on the developable portions of the site has been maximized.	The proposed project involves modification to approve off-site processing on lands designated Mixed Use (MU) and zoned C-2 Community Commercial. The parcel was not inventoried as source of potential residential houses. Therefore, the project will 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.

6. Environmental Impact: The following table identifies the evidence supports the finding that the proposed development will not adversely impact the environment.

Code Section	Summary of Applicable Requirement	Evidence that Supports the Required Finding
§15301 of CEQA Guidelines	Categorically exempt from State environmental review.	The project has been determined to be exempt from CEQA pursuant to Sections 15301 – Existing Facilities of the Guidelines for the Implementation of CEQA. Section 15301 exempts from environmental review the operation, repair maintenance, permitting, licensing, or minor alteration of existing private structures or facilities where involving negligible or no expansion of use. The proposed development will occupy an existing 4,792 square foot structure legally developed commercial use (BID 17-327-B-6). The project site is an urbanized area served by community water and on-site septic. The project is conditioned to connect to the public sewer system when available. Per the submitted evidence and agency responses none of the exceptions to the Categorical Exemption per Section 15300.2 of the State CEQA guidelines apply to this project.

ATTACHMENT 3

APPLICANT'S EVIDENCE IN SUPPORT OF THE REQUIRED FINDINGS

Attachment 3 includes a list of all written evidence which has been submitted by the applicant in support of making the required findings.

Document	Location
Application form	On File
Plan of operations	Attached separately as Attachment 3.A

ATTACHMENT 4

REFERRAL AGENCY COMMENTS AND RECOMMENDATIONS

The original project was referred to the following referral agencies for review and comment. Those agencies that provided written comments are checked off. The addition of processing to the manufacturing facility does not raise additional concerns for referral agencies that commented on the original project.

Referral Agency	Response	Recommendation	Attached	On File
County Building Inspection Division	✓	Approval		✓
County Department of Public Works	✓	Comments		✓
Cal Fish and Wildlife	✓	Conditions		✓
U.S. Fish and Wildlife Service	✓	Conditions		✓
Cal Fire	✓	Comments		✓
Bear River	✓	Conditions		✓
Federal Aviation Administration	✓	Conditions		✓

ATTACHMENT 5

PLN-2018-15131 STAFF REPORT
(Attached separately as Attachment 5.A)