

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

**Resolution Number 23-
Record Number PLN-12166-CUP
Assessor's Parcel Number: 210-051-081**

Resolution by the Planning Commission of the County of Humboldt certifying compliance with the California Environmental Quality Act and conditionally approving the Happy Valley, LLC Conditional Use Permit and Zoning Clearance Certificate.

WHEREAS, Happy Valley, LLC applied for Conditional Use Permit PLN-12166-CUP for 12,500 square feet (SF) of existing outdoor cannabis cultivation and a 1,460-SF ancillary propagation area along with appurtenant drying activities;

WHEREAS, the County prepared an Addendum to the Final 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 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; and

WHEREAS, the Humboldt County Planning Commission held a duly-noticed public hearing on August 17, 2023, and reviewed, considered, and discussed the application for the requested Conditional Use Permit and Zoning Clearance Certificate 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: A Conditional Use Permit for 12,500 square feet of existing Outdoor commercial cannabis cultivation supported by a 1,220 square foot ancillary nursery. Water is sourced exclusively from a permitted groundwater well on adjacent parcel (APN 210-051-064) that has been analyzed for hydrologic connectivity to surface waters and nearby domestic water sources. The annual estimated water budget is 54,000-gal. is supported by 6,600-gal. of onsite tank storage, and an additional 155,900-gal. on adjacent parcel (APN 210-051-064) totaling 162,600-gal. of water storage. Applicant has secured grant funding to install an additional 30,000-gal. of storage. Processing such as bucking, drying, and curing will take place onsite in the existing shop building. Power is provided by a 6-kW solar system, with a generator utilized for backup. Grant funding has been secured to increase renewable energy capacity and will provide at least 80% of the

project's total power demand by January 1, 2026. Three (3) to five (5) employees are needed to support operations.

EVIDENCE: a) Project File: PLN-12166-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) A Biological Assessment Report was prepared by Naiad Biological Consulting (October 9, 2019). The assessment included a field visit conducted by biologist Mason London on October 8, 2019. No special status plant or animal species were observed during the site visit, and the biologist concluded that existing habitat and cultivation uses on the site makes it unlikely that special status species would be present or negatively impacted by cultivation. Special status species with a moderate to high potential of occurring in the project area include Tracy's sanicle, Tracy's tarplant, Pacific gilia, western bumblebee, North American porcupine, and American badger. However, cultivation occurs in areas of the subject parcels where these species are unlikely to be disturbed. The nearest northern spotted owl activity center is located 1.55 miles away. Outside of adherence to required stream setbacks, the report includes no recommendations or corrective actions.

d) A Site Management Plan (SMP) was prepared in fulfillment of State Water Resources Control Board (SWRCB) General Order WQ 2019-0001-DWQ. The document was prepared to meet the North Coast Regional Water Quality Control Board (NCRWQCB) requirements for Tier 2 discharges of waste resulting from cannabis cultivation (WDID No. 1B16432CHUM).

- e) A cultural resources investigation report was prepared by William Rich, M.A., of William Rich and Associates (December 2021). The investigation covered the subject parcel (210-051-081) and an adjacent parcel under the same ownership (210-051-064). No historic or tribal cultural resources were identified as a result of the investigation, and no further archaeological surveys are recommended as a condition of approval for this project. Consultation letters were sent to Native American groups associated with the project area. The Bear River Band of the Rohnerville Rancheria recommended implementation of the inadvertent discovery protocol. The standard inadvertent discovery protocol will be used to protect artifacts or remains that may be discovered during project work.

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 Residential Agriculture (RA) 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.
- b) The proposed project is not located within any riparian setbacks or streamside management areas.

4. FINDING

The proposed development is consistent with the purposes of the existing Forestry Recreation (FR) zoning designation in which the site is located.

EVIDENCE:

- a) The FR zone is intended to be applied to forested areas of the County in which timber production and recreation are the desirable predominant uses and agriculture is the secondary use, and in which protection of the timber and recreational lands is essential to the general welfare. General agriculture, including the cultivation of cannabis, is a principal permitted use in this zoning district. The B zone is a combining zone intended to be combined with any principal zone in which

sound and orderly planning indicate that lot area and yard requirements should be modified.

- b) Humboldt County Code section 313-106.6 allows cultivation of up to 43,560 SF of existing outdoor cannabis and up to 22,000 SF of existing mixed-light cannabis on a parcel over 1 acre, 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 12,500 SF of cannabis cultivation and a 1,220-SF ancillary propagation area on a 132-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 Forestry Recreation (FR) (HCC 314-7.3)
- b) The parcel was created in compliance with all applicable state and local subdivision regulations, as it was created via Notice of Merger and Certificate of Subdivision Compliance recorded in Humboldt County Office of the Recorder 02/22/2018 (2018-003559).
- c) Irrigation water is sourced from one groundwater well on an adjacent parcel (APN 210-051-064. Estimated annual water use is 70,000-gallons (5.3 gal/SF). Water is stored in one (1) 50,000-gallon bladder (to be replaced with hard sided storage), and a series of tanks totaling 112,000-gal., for a total of 162,000-gal. shared between this project and a project on an adjacent parcel under common ownership (PLN-12170-CUP). An additional 30,000-gal. will be installed via grant funding.
- d) The slope of the land where cannabis will be cultivated is greater than 15%. Because this is an existing cultivation site, the CMMLUO does not require cultivation to occur on slopes of 15% or less.
- e) The cultivation of cannabis will not result in the conversion of timberland.
- f) 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, public park, or Tribal Cultural Resource.

6. FINDING

The cultivation of 12,500 SF of cannabis and the conditions under which it may be operated or maintained will not be detrimental to the public health, safety, or welfare or materially injurious to properties or improvements in the vicinity.

EVIDENCE:

- a) All access roads on the property shall be maintained in compliance with the State Water Resources Control Board Order WQ 2019-0001-DWQ, which states that all access roads are to be hydrologically disconnected to receiving waters. To ensure that roads meet this condition, the applicant shall implement the erosion control measures outlined in the SMP that address undersized culverts and maintenance of rocked fords.
- b) The site is in a rural part of the County where the typical parcel size is over 20 acres, and many of the land holdings are very large. The proposed cannabis 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 off-site residence.
- d) The annual 145,000-gallon irrigation water budget is sourced from permitted groundwater well (WCR2016-0003430). The well has been analyzed by a state licensed engineering geologist for connectivity to surface water and nearby domestic water sources, and has been determined to not be hydrologically connected to surface waters. Applicant utilizes multiple methods to minimize water used for cannabis, including drip irrigation methods, strain selection to ensure timely harvests and minimize time plants are in flowering greenhouses, and water retaining soil mediums, all intended to reduce water use. Not including the ancillary nursery, water usage translates to approximately 9.6-gallons per square foot per year. Total water storage including the proposed tanks and subtracting the bladder is 142,600 gallons, shared between this project and a project on a neighboring parcel under the same ownership (PLN-12170-CUP).

- e) Provisions have been made in the applicant's proposal to protect water quality through yearly site inspection, monitoring, and reporting to the NCRWQCB. The site shall be inspected and monitoring reports prepared for the following activities: 1) before and after any alteration or upgrade to a given stream crossing, road segment, or other controllable sediment discharge site; 2) prior to the start of the water year (October 15) to evaluate site preparedness for storm events and associated storm water runoff; 3) site inspection no later than December 15 of each year; and 4) following any rainfall event with an intensity of 3 inches of precipitation within any 24 hour period. Annual reporting shall be submitted to the NCRWQCB by March 31 of each year. Therefore, runoff to adjacent property and infiltration of water to groundwater resources will not be adversely affected.

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 is not developed with a residence, nor is a residence proposed. The proposed operation will not impact potential to develop a residence at some point in the future.

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:

The project site is in the Van Duzen 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 for cultivation in this Planning Watershed would be 123 permits and the total approved acres would be 42.91 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 Permit (PLN-12166-CUP) and Special Permit for Happy Valley Farms, Inc. 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 August 17, 2023.

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