

# **Final Environmental Impact Report Volume 1**

ORD18-2  
EIR18-0001  
SCH# 2018082023

**NEVADA COUNTY COMMERCIAL CANNABIS CULTIVATION ORDINANCE PROJECT**



Nevada County  
Community Development Agency  
Nevada City, California

April 2019

**Kimley»Horn**  
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April 2019



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**(The Draft EIR With Text Revision is provided as Volume II of this Final EIR)**

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## 1.0 INTRODUCTION AND LIST OF COMMENTERS

### 1.1. SCOPING

As required by CEQA State Guidelines §15082, the County issued a Notice of Preparation (NOP) on August 10, 2018 that summarized the Nevada County Commercial Cannabis Ordinance (NCCO or proposed project), stated its intention to prepare an Environmental Impact Report (EIR), and requested comments from interested parties. The NOP was filed with the State Clearinghouse on August 10, 2018 (SCH# 2018082023), which initiated the 30-day public scoping period. The review period for the NOP ended on September 10, 2018. The NOP also included notice of the County's two public scoping meetings that were held on August 22, 2018. One meeting was held at the Foothills Event Center in Grass Valley and one at the Bear River High School multi-purpose room. The meetings were held with the specific intent of affording interested individuals, groups, other stakeholders, and public agencies a forum in which to orally or in writing, present input directly to the Lead Agency and to assist in further refining the intended scope and focus of the EIR as described in the NOP. Approximately 30 people attended the Bear River High School scoping meeting of which, fifteen individuals presented oral comments. No individuals or groups attended the Truckee Scoping Meeting. In sum the County received a total of forty (40) comment letters that were submitted by government agencies, organization, and private individuals during the scoping process.

### 1.2 CALIFORNIA ENVIRONMENTAL QUALITY ACT

The basic purpose of the California Environmental Quality Act (CEQA) is to disclose to the public and decision makers and inform them and all other interested parties the potential significant environmental effects of a proposed project or other discretionary action. All projects that falls within the scope of CEQA require some level of environmental review. The level of analysis required for the proposed project required the preparation of Environmental Impact Report (EIR)). Hence, the Draft EIR (DEIR) was prepared and underwent public review to evaluate the adequacy of the environmental analysis in terms of compliance with CEQA. The DEIR for the proposed NCCO was circulated for a 45-day public review period beginning on January 11, 2019 and ending on February 25, 2019. A total of 24 written responses (i.e., comment letters and email correspondence) were received on the DEIR.

Section 15151 of the State CEQA Guidelines states the following regarding standards from which adequacy is judged:

*"An EIR should be prepared with sufficient degree of analysis to provide decision-makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure."*

Pursuant to the State *CEQA Guidelines*, an effect is not considered significant in the absence of substantial evidence; therefore, comments should be accompanied by factual support. Section 15204(c) of the State *CEQA Guidelines* states:

*“Reviewers should explain the basis for their comments, and, should submit data or references offering facts, reasonable assumptions based on facts, or expert opinion supported by facts in support of the comments. Pursuant to §15064 an effect shall not be considered significant in the absence of substantial evidence.”*

## **STATE CEQA GUIDELINE §15088 - EVALUATION OF AND RESPONSE TO COMMENTS**

As defined by §15050 of the California Environmental Quality Act Guidelines (CEQA), Nevada County (County) is serving as “Lead Agency” for preparation of the Environmental Impact Report (EIR) for the proposed Nevada County Commercial Cannabis Cultivation Ordinance (NCCO) (herein referenced as the proposed NCCO or proposed project). The County’s responses to comments on the DEIR (DEIR) for the proposed project represents a good-faith, reasoned effort to address the environmental issues identified by the comments and commenters. As discussed in State CEQA Guideline §15088(a) of the State CEQA Guidelines, the Lead Agency is not required to respond to all comments on the DEIR, but only to those comments that raise environmental issues. The complete text of §15088 is provided as follows:

- (a) The lead agency shall evaluate comments on environmental issues received from persons who reviewed the DEIR and shall prepare a written response. The Lead Agency shall respond to comments received during the noticed comment period and any extensions and may respond to late comments.
- (b) The lead agency shall provide a written proposed response to a public agency on comments made by that public agency at least 10 days prior to certifying an environmental impact report.
- (c) The written response shall describe the disposition of significant environmental issues raised (e.g., revisions to the proposed project to mitigate anticipated impacts or objections). In particular, the major environmental issues raised when the Lead Agency’s position is at variance with recommendations and objections raised in the comments must be addressed in detail giving reasons why specific comments and suggestions were not accepted. There must be good faith, reasoned analysis in response. Conclusory statements unsupported by factual information will not suffice.
- (d) The response to comments may take the form of a revision to the DEIR or may be a separate section in the final EIR. Where the response to comments makes important changes in the information contained in the text of the DEIR, the Lead Agency should either:
  - (1) Revise the text in the body of the EIR, or
  - (2) Include marginal notes showing that the information is revised in the response to comments.

Comments regarding the proposed project’s ultimate appropriateness for the site or comments that do not directly raise an environmental issue are referred to decision-makers, in this case the Planning

Commission and Nevada County Board of Supervisors, for further consideration and as part of the deliberative process. Based on the nature of the comment, the response to comment provided will either provide a substantive remark, or in the case of a non-substantive comment, the response can note that the comment was a general commentary or expression of opinion and that it does not warrant a detailed response under CEQA. In this instance the response attempt to explain and refer commenters to pertinent sections of the document, other responses, in an attempt to more address commenters concerns.

### **1.3 FINAL ENVIRONMENTAL IMPACT REPORT**

As discussed, § 15088 of the State *CEQA Guidelines* requires that the Lead Agency evaluate comments on environmental issues received from persons and agencies that reviewed the DEIR and prepare written responses addressing each of the comments received. The comments and responses contained in this section and the DEIR together comprises the Final EIR (FEIR). Any additional County recommendations or requirements during the certification will make up the final components of the FEIR. State *CEQA Guidelines* §15132 states the following:

*“The Final EIR shall consist of:*

- (a) The DEIR or a version of the draft.*
- (b) Comments and recommendations received on the DEIR either verbatim or in summary.*
- (c) A list of persons, organizations and public agencies commenting on the DEIR.*
- (d) The responses of the Lead Agency to significant environmental points raised in the review and consultation process.*
- (e) Any other information added by the Lead Agency.”*

In accordance with the above, the FEIR presents the environmental information and analyses that have been prepared for the proposed project, including comments received addressing the adequacy of the DEIR, and responses to those comments. In addition to the responses to comments, clarifications, corrections, or revisions have been made to the DEIR. For the proposed project, and the to facilitate a more complete understanding and fully incorporate public comment the County has elected to make revisions to the text of the DEIR, which now appear in the FEIR. This FEIR document and the Mitigation and Monitoring Program (MMP) will be used by the Planning Commission and Board of Supervisors in the decision-making process for the proposed project.

### **1.4 ENVIRONMENTAL REVIEW PROCESS**

#### **1.4.1 PUBLIC COMMENTS**

A list of agencies, organizations, and interested persons who have commented on the content and adequacy of the DEIR is provided below. A copy of each numbered comment letter and a lettered response to each comment is provided in the *Responses to Comments*.

Written and verbal comments received on the DEIR during the 45-day public review period are addressed in their entirety in this section. Each comment letter received has been copied verbatim and is included

to this chapter. Each comment letter and has been assigned a reference code. The responses to reference code comments immediately follow each letter. A response is provided for each comment raising significant environmental issues, as received by the County during the DEIR 45-day public review period. Where appropriate, the commenter may be referenced back to the Master Responses or another comment letter that discusses the same topic and to which the response is pertinent to that of commenter.

## **COMMENT LETTERS AND CORRESPONDENCE**

### **State Agencies**

Letter A: California Department of Conservation – Division of Land Resource Protection (February 13, 2019)

Letter B: California Department of Fish and Wildlife (CDFW) (February 21, 2019)

Letter C: California Department of Food and Agriculture (February 21, 2019)

Letter D: California Department of Forestry and Fire Protection (CALFIRE) (August 4, 2018)

Letter E: California Department of Forestry and Fire Protection (CALFIRE) (February 5, 2019)

Letter F: Central Valley Regional Water Quality Control Board (February 5, 2019)

Letter G: Lahontan Regional Water Quality Control Board (February 7, 2019)

### **Local Agencies**

Letter H: Nevada County Agricultural Commission – Chris de Nijs (February 24, 2019)

Letter H1: Nevada County Department of Public Works – (January 29, 2019)

### **Commenting Organizations**

Letter I: Nevada County Cannabis Alliance (February 25, 2019)

Letter J: Nevada Irrigation District (February 25, 2019)

Letter K: Southern Yuba River Citizens League (SYRCL) (February 25, 2019)

### **Commenting Persons**

Letter L: Barbara and Donald Rivenes (February 24, 2019)

Letter M: Curtis and Jan Howard (February 25, 2019)

Letter N: Eric Jorgensen, (February 22, 2019)

Letter O: Gary Baker (February 5, 2019)

Letter P: Gary Baker (February 21, 2019)

Letter Q: Gary Baker (February 22, 2019)

Letter R: Gary Baker. (February 25, 2019)

Letter S: Gary Baker (February 25, 2019)

Letter T: Rich Johansen (February 25, 2019)

Letter U: Shelby Sachs (letter is not dated)

Letter V: Steve Shramm (February 22, 2019)

Letter W: Sean Hula (January 12, 2019)

Letter X: Larry Haynes (January 29, 2019)

Letter Y: Planning Commission Hearing (February 7, 2019)

## **1.5 ORGANIZATION OF THE FINAL EIR**

The Final EIR is organized into the following chapters:

### **Chapter 1: Introduction and List of Commenters**

Chapter 1 of the Final EIR provides an introduction and overview of the document, describing the background and organization of the Final EIR. Chapter 1 also provides a list of commenters who submitted letters in response to the Draft EIR.

### **Chapter 2: Responses to Comments**

Chapter 2 of the Final EIR presents the comment letters received and responses to each comment. Each comment letter received has been numbered at the top and bracketed to indicate how the letter has been divided into individual comments. Each comment is assigned a letter-number identified with the letter appearing first, followed by the comment number. For example, the first comment in Letter A would have the following format: A-1. The response to each comment will reference the comment number.

### **Chapter 3: Draft EIR With Text Revisions**

Chapter 3 of the Final EIR summarizes changes made to the Draft EIR text in response to comment letters, as well as other minor text revisions and corrections.

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## 2.0 RESPONSES TO COMMENTS

As discussed in Section 1.0: Introduction and List of Commenters, responses to comments are required to address concerns raised during the environmental review process. The responses to comments in this FEIR contain a series of Master Responses to Comments as well as responses to comments to the individual agencies, organizations, and individual.

### 2.1 MASTER RESPONSES TO COMMENT

Master responses to comments are responses to answer questions that are typically raised in multiple comment letters. Master responses also have been prepared to address the purposes and requirements of CEQA, the rationale and foundation for the discussion of impacts in the DEIR and related to general CEQA issues in an attempt to further clarify the reasoning for the analysis in the DEIR. A Master Response also have been included to further explain the subsequent County level environmental review and the mechanisms in place to facilitate it.

The Master Responses also address comments related to general issues that are recurring throughout numerous individual comment letter or non-specific environmental concerns that have a similar overall theme(s) but that may not ask for or make a pointed argument or disagreement. The intent of a Master Response is to provide a comprehensive response to the concern raised and so that all aspects of the concern are addressed in a cohesive and organized manner in one location. A secondary benefit of this is to reduce repetition of responses. Master responses also can be beneficial to other commenters to aid them to understand issues they may not have raised or thought about.

In the subsequent responses to comments, if the individual comment raises an issue discussed in a Master Response, the response to the individual comment will include a cross reference to the appropriate Master Response. For example, if a comment letter identifies a question concerning the baseline for environmental analysis, the response will include the statement, ***“Refer to Master Response 1.”***

Master Response have been developed for the following issues: Project Baseline Master Response 1; Use of a Program EIR – Master Response 2; Subsequent CEQA Review- Master Response 3; Project Checklist Master Response 4; and are discussed immediately below.

#### **Master Response 1 - Baseline – Existing Conditions**

The State CEQA Guidelines Section 15125 provides the following guidance for establishing the baseline states:

“(a) An EIR must include a description of the physical environmental conditions in the vicinity of the project, as they exist at the time the notice of preparation is published, or if no notice of preparation (NOP) is published, at the time environmental analysis is commenced, from both a local and regional perspective. This environmental setting will normally constitute the baseline physical conditions by which a lead agency determines whether an impact is

significant. The description of the environmental setting shall be no longer than is necessary to an understanding of the significant effects of the proposed project and its alternatives.”

The changes in environmental conditions between the baseline and the environmental conditions upon project completion represent the environmental impacts of the proposed project. The description of the environmental conditions in the project study area under baseline conditions is referred to as the environmental setting. In the case of the proposed project, the NOP was published on August 10, 2018. Thus, the conditions as they existed on this date are considered the baseline environmental conditions for the proposed project as the NOP initiated the CEQA analysis.

Typically, establishment of the baseline conditions is a relatively straightforward task. However; in cases with complex circumstances such as the proposed project, choosing the specific baseline conditions can be difficult. This is due to a variety of factors including but not limited to, presence of illegal or ongoing illegal activity, a project that occurs over a large area, changing project variables and constraints, an evolving legislative landscape, screening criteria, and adjustments to local regulations, etc.

For these reasons, the DEIR evaluated the total number of parcels, 27,207, that based on zoning designation (AE, AG, and FR), would be eligible for commercial cannabis cultivation permits under the proposed NCCO. The County recognizes that there will be certain limitations to parcels that have certain constraints that would disallow eligibility for commercial cannabis cultivation permits. The DEIR recognizes this by stating:

“This assumption represents a conservative analysis in that it is unlikely that every eligible parcel would be build out and used for cannabis cultivation. Aside from meeting the required zoning and parcel size, commercial operations must also meet the cultivation area requirements of the proposed ordinance, as well as other requirements such as setbacks from sensitive uses, having a legal residence on the property or adjacent to the property, and having electrical and water service that meet State and County building code requirements. This would likely eliminate many of the most remote and rural parcels. Other parcels may be eliminated to due to physical constraints (e.g., steep slopes or inadequate roadways) or regulatory constraints (e.g., wetlands, oak woodlands, or other environmentally sensitive habitat impacts). For these reasons assuming that all eligible parcels could be used for cannabis cultivation represents a worst-case analysis.”

However, the fact that it is unknown which property owners would use their eligible parcels for commercial cannabis cultivation; it would be speculative to screen out certain sites at this stage of the process. This would render the discussion of environmental resources and environmental impacts, similarly speculative. For this reason, the DEIR was written as a Program EIR and contemplate the impacts across all unincorporated County lands in an attempt to account for all potential projects. The County evaluated this against the potential to narrow the focus of the DEIR and concluded that overestimation was a more defensible position in the eyes of CEQA than underestimating impacts. The County reasoned that with a smaller window through, which it viewed impacts, or through the use of screening criteria it was more likely the DEIR would underestimate impacts, which presented an unsatisfactory risk. For these reasons, the total 27,207 parcels were used for the baseline conditions.

**Master Response 2 - Program EIR language**

Numerous commenters requested additional detail be included to the EIR. In some instances, this was possible and as discussed above, the comments and requests have been included to the FEIR in a ~~strikeout~~-underline version. However, some detail is not available or unknown due to the size and scale of the proposed project. Simply states, at this time in the planning process it is not possible to know the specific locations, details of those locations and the projects that would occur. Accordingly, it is not possible at this time to account for all potential impacts that would occur under implementation of the NCCO. Page 3.1 of *Section 3.0 Project Description* explains, “this Program EIR evaluates the proposed project and considers the overall environmental effects in a way that will enable the use of subsequent project specific documentation for future cannabis related projects when more detail on these individual projects is available after being provided by future applicants.”

Therefore, in part based on the above, this EIR is a Program EIR. Although the required contents of a Program EIR are the same as those of a Project EIR, Program EIRs are typically more conceptual and may contain a more general discussion of impacts, alternatives, and mitigation measures than a Project EIR.

State CEQA Guideline § 15165. Multiple and Phases Projects states,

“Where individual projects are, or a phased project is, to be undertaken and where the total undertaking comprises a project with significant environmental effect, the Lead Agency shall prepare a single program EIR for the ultimate project as described in Section 15168. Where an individual project is a necessary precedent for action on a larger project, or commits the Lead Agency to a larger project, with significant environmental effect, an EIR must address itself to the scope of the larger project. Where one project is one of several similar projects of a public agency but is not deemed a part of a larger undertaking or a larger project, the agency may prepare one EIR for all projects, or one for each project, but shall in either case comment upon the cumulative effect.”

Based on the listed CEQA guideline, a Program EIR was the appropriate document to be prepared for the proposed NCCO, under which a series of additional actions, (i.e. permitting of commercial cannabis facilities within the County), will be undertaken.

As provided in Section 15168 of the CEQA Guidelines, a Program EIR may be prepared on a series of actions that may be characterized as one large project. Use of a Program EIR provides the County with the opportunity to consider broad policy alternatives and program-wide mitigation measures and provides the County with greater flexibility to address environmental issues and/or cumulative impacts on a comprehensive basis.

More Specifically, State CEQA Guideline 15168 Program EIR states, “(a) General. A program EIR is an EIR which may be prepared on a series of actions that can be characterized as one large project and are related either:

- (1) Geographically,
- (2) A logical part in the chain of contemplated actions,

(3) In connection with issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program, or

(4) As individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways.

Based on the above CEQA Guidance, agencies generally prepare Program EIRs for programs such as the proposed project. Once a Program EIR has been prepared, subsequent activities within the program must be evaluated to determine what, if any, additional CEQA documentation needs to be prepared. It should be noted that, if a subsequent activity would have effects not within the scope of the Program EIR, the Lead Agency must prepare a new Initial Study leading to a Negative Declaration, Mitigated Negative Declaration, or project level EIR. In this case, the Program EIR still serves a valuable purpose as the first-tier environmental analysis. If the Program EIR addresses the program's effects as specifically and comprehensively as possible, many subsequent activities could be found to be within the Program EIR scope and additional environmental documents may not be required (CEQA Guidelines Section 15168(c)). Additionally, when a Program EIR is relied on for a subsequent activity, the Lead Agency must incorporate feasible mitigation measures and alternatives developed in the Program EIR into the subsequent activities (CEQA Guidelines Section 15168(c)(3)).

**Master Response 3** – The County received numerous comments regarding the suggestion of including a project checklist that could be used by applicants to ensure all site plans, project descriptions, and associated environmental compliance measures area included to future commercial cannabis projects. The County has been in the process of developing a project specific checklist for projects under both an ADP and CCP while the NCCO has been being written and revised and while the EIR was being drafted and into circulation. The checklist was not finished and; therefore, not included at the time the DEIR was circulation but has since been completed. It should be noted that the checklist is still amendable as other issues or concerns, environmental or otherwise may arise. The intent of the Checklists is twofold. 1) to assist cultivation applicants in submitting a complete application package and minimizing the need for multiple reviews, and 2) to ensure that all environmental permitting and protection measures are included to the individual projects and enable the County, applicants, or other parties to complete any needed subsequent CEQA documentation.

The Checklists (Nevada County Commercial Cannabis Application and Information and ADP Checklist) and (Commercial Cannabis Permit (CCP) Submittal Checklist) are attached to this FEIR as **Appendix B**. The ADP checklists requires specific project information and details regarding the future projects so that the projects can be screened by staff, environmental protection measures can be determined, and consultation with responsible agencies can be initiated. Some of the requirements of the Checklist and certain requirements to ensure environmental compliance are provided below:

- Project Site Information (address, zoning, cultivation activities, etc.);
- Forms and Attachments (land use application, biological resources inventory/report, security plan, use of pesticides, dust control plan, hazardous waste statement form, light control plan, cultural resources plan, well permit, etc);

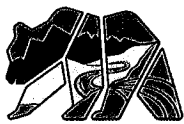
- Plans and Studies (as applicable) - (operation plan, restoration plan, timber management plan, cultural resources study, water quality protection plan, pest management plan, biological resources protection, etc.);
- Site Plan Requirements: as-builts, location of all structures [tanks, streams, water sources, and wetland, irrigation, residences, fire setbacks, utilities, wastewater, setbacks, cultivation areas, easements, slopes and contours, boundary lines, grading activities and quantities, cannabis support areas, cultivation type (outdoor, mixed-light, indoor), parking, on-site roadways, etc.)],
- Hazardous Materials/Waste Statement
- Nevada County Cannabis Ordinance Questionnaire:
  - General: [setbacks (schools, sensitive receptors, parks, property line, etc);
  - Visual Project Elements (screening, lighting, sensitive visual resources, etc.);
  - Agricultural Resources (prime/unique farmland, Williamson Act Contract, permanent loss, timber plan);
  - Air Quality (dust and debris, machinery used, measures to reduce odor);
  - Biological Resources (Biological Inventory/Report/Study, mitigation measures recommended) etc.;
  - Hazardous Materials [Hazardous Materials Business Plan (HMBP), pesticide use and fertilizers, storage of materials, secondary containment, setbacks, flood zone] etc.;
  - Noise (list of construction equipment, operations plan to minimize machinery noise);
  - Utilities and Public Services (conformance to electric code, permits issued, provider, waste hauler disposal methods, wastewater disposal, etc.);
  - Water Quality (Regional Board area, Tier 1 or 2 enrollment, Section 401/404 permitting, CDFW 1602 – Lake and Streambed Alteration Agreement, water resource protection plan, etc.);
  - Water Supply (well, public supply, diversion, permits, estimated water use, forbearance needed, etc.); and
  - Security Plan (fencing, gates, locks, cameras, etc.).

The CCP checklist is slightly abbreviated due to the smaller sizes of potential cultivation sites but includes all needed information from which it can be determined the required level of subsequent CEQA review. The list includes but is not limited to following:

- Project Site Information (address, zoning, cultivation activities, etc.);
- Site Plan;
  - All proposed areas and structures;

- o Water bodies, sources;
  - o Slope and topography, and grading;
  - o Property lines;
  - o Landmark trees;
  - o Archaeological features;
  - o Fire access;
- Submittal of Security/Operation Plan;
- Verification of Approved Water Source;
- Verification of Approved Septic/Sewer;
- Verification of Approved Electrical Service:
- Lighting control plan;
- Dust Control;
- Biological resources information;
- Cultural Resources Sensitivity letter;
- Hazardous waste statement form;
- State license application (if applicable);
- Regional Water Quality Control permits (if applicable):
- Transition Plan;

As discussed above, the use of the checklists will assist the County in processing applications and ensuring that all information is included that so that complete project evaluation is made and determine if additional studies are needed to enable a complete CEQA evaluation for individual commercial cannabis cultivation projects.



Letter A: California Department of Conservation

February 13, 2019

**VIA EMAIL: PLANNING@CO.NEVADA.CA.US**

Mr. Brian Foss, Planning Director  
Nevada County  
Community Development Agency  
950 Maidu Avenue, Suite 170  
Nevada City, CA 95959

Dear Mr. Foss:

**ENVIRONMENTAL IMPACT REPORT FOR NEVADA COUNTY COMMERCIAL  
CANNABIS CULTIVATION ORDINANCE ORD 18-2, EIR 18-001, SCH# 2018082023**

The Department of Conservation's (Department) Division of Land Resource Protection (Division) has reviewed the Environmental Impact Report (EIR) for Nevada County's Commercial Cannabis Cultivation Ordinance (Project). The Division monitors farmland conversion on a statewide basis and administers the California Land Conservation (Williamson) Act and other agricultural land conservation programs. We offer the following comments and recommendations with respect to the proposed project's potential impacts on agricultural land and resources.

Project Description

Adoption of the proposed Nevada County Commercial Cannabis Cultivation Ordinance would result in regulation of the cultivation of cannabis within unincorporated areas of the County. All existing and proposed cannabis cultivation would be subject to the guidance contained in the proposed ordinance. The Commercial Cannabis Cultivation Ordinance describes the land uses and areas in which cultivation would be allowed as well as the amount of cannabis that could be cultivated based on those locations.

Department Comments

In the Agriculture and Forestry Resources section, page 4.2-4, of the EIR, the document states that the information provided regarding Williamson Act enrollment represents the most recent data available. However, the Department would like to point out that while it produces the Williamson Act Status Report biennially, the most current and up to date information should always be obtained from the County directly. By using the data presented in the 2016 Williamson Act Status Report, (2014/15 data), the County is essentially using data that is at least three years old. The Department also reiterates

A-1

A-2

that the data represented in the Williamson Act Status Reports is County reported data, and is compiled by the Department, not generated by the Department.

A-2  
cont'd

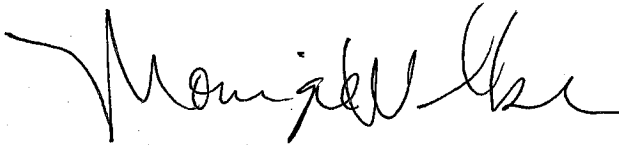
The Department would also like to bring attention to Figure 4.2-2, which represents Williamson Act parcels in Nevada County for 2016. The figure displays a map clearly created by Nevada County, as seen by the Nevada County seal in the bottom right corner of the legend; however, the source of the map is stated as the California Department of Conservation.

A-3

Thank you for giving us the opportunity to comment on the Environmental Impact Report for Nevada County's Commercial Cannabis Cultivation Ordinance. Please provide this Department with notices of any future hearing dates as well as any staff reports pertaining to this project. If you have any questions regarding our comments, please contact Farl Grundy, Environmental Planner at (916) 324-7347 or via email at [Farl.Grundy@conservation.ca.gov](mailto:Farl.Grundy@conservation.ca.gov).

A-4

Sincerely,



Monique Wilber  
Conservation Program Support Supervisor

Enclosure

## **Response to Comment Letter A - California Department of Conservation (CDOC)**

**Response to Comment A-1:** The commenter provides an introductory remark about the California Department of Conservation's responsibilities. The commenter summarizes the proposed project and the guidance that the Nevada County Commercial Cannabis Cultivation Ordinance (NCCO) provides. No environmental issues or concerns were raised in the first summary paragraphs; therefore, no further response is necessary.

**Response to Comment A-2:** The commenter provides information related to Williamson Act enrollment and the most recent data available and notes that the County, not CDOC, has the most current information.

The figures used to represent Williamson Act Parcel Maps in the DEIR used the 2016 Parcels Affected by Williamson Act from the Nevada County Website. This is the most recent information the County has published. As discussed on page 4.2-18 of the Draft EIR in mitigation measure AG-1, the NCCO would be amended to require all applicants for commercial cannabis licenses to show that their cultivation projects do not conflict with Prime Farmland, Unique Farmland, or Farmland of Statewide Importance based on the most recent information. The mitigation measure has been revised to state that the verification would be based on the most recent Nevada County Agricultural Department data. This would ensure that project conflicts with Williamson Act restrictions remain less than significant.

**Response to Comment A-3:** The commenter notes that the source of data on Figure 4.2-2- Williamson Act Parcels Nevada County 2016 is not CDOC. The source has been updated to reflect Nevada County, 2016.

**Response to Comment A-4:** The commenter provides thanks for the opportunity to comment and requests notification regarding future actions including hearing dates or staff reports for the project. No environmental issues or concerns were raised in this comment.



State of California – Natural Resources Agency  
DEPARTMENT OF FISH AND WILDLIFE  
North Central Region  
1701 Nimbus Road, Suite A  
Rancho Cordova, CA 95670-4599  
916-358-2900  
[www.wildlife.ca.gov](http://www.wildlife.ca.gov)

GAVIN NEWSOM, Governor  
CHARLTON H. BONHAM, Director



February 21, 2019

Brian Foss  
Planning Director  
Nevada County Planning Department  
950 Maidu Avenue  
Nevada City, CA 95959

Dear Mr. Foss:

Subject: Nevada County Commercial Cannabis Cultivation Ordinance  
DRAFT PROGRAM ENVIRONMENTAL IMPACT REPORT (DPEIR)  
SCH# 2018082023

The California Department of Fish and Wildlife (CDFW) received and reviewed the Notice of Availability of a DPEIR from the Nevada County Planning Department for the Nevada County Commercial Cannabis Cultivation Ordinance (Project) pursuant the California Environmental Quality Act (CEQA) statute and guidelines.<sup>1</sup>

Thank you for the opportunity to provide comments and recommendations regarding those activities involved in the Project that may affect California fish, wildlife, native plants, and their habitat. Likewise, we appreciate the opportunity to provide comments regarding those aspects of the Project that CDFW, by law, may need to exercise its own regulatory authority under the Fish and Game Code.

## CDFW ROLE

CDFW is California's **Trustee Agency** for fish and wildlife resources, and holds those resources in trust by statute for all the people of the State (Fish & G. Code, §§ 711.7, subd. (a) & 1802; Pub. Resources Code, § 21070; CEQA Guidelines § 15386, subd. (a)). CDFW, in its trustee capacity, has jurisdiction over the conservation, protection, and management of fish, wildlife, native plants, and habitat necessary for biologically sustainable populations of those species. (*Id.*, § 1802.) Similarly, for purposes of CEQA, CDFW provides, as available, biological expertise during public agency environmental review efforts, focusing specifically on projects and related activities that have the potential to adversely affect fish and wildlife resources.

CDFW is also submitting comments as a **Responsible Agency** under CEQA. (Pub. Resources Code, § 21069; CEQA Guidelines, § 15381.) CDFW expects that it may need to exercise regulatory authority as provided by the Fish and Game Code. As proposed, for example, the Project may be subject to CDFW's lake and streambed alteration regulatory

B-1

<sup>1</sup> CEQA is codified in the California Public Resources Code in section 21000 et seq. The "CEQA Guidelines" are found in Title 14 of the California Code of Regulations, commencing with section 15000.

authority. (Fish & G. Code, § 1600 et seq.) Likewise, to the extent implementation of the Project as proposed may result in “take” as defined by State law of any species protected under the California Endangered Species Act (CESA) (Fish & G. Code, § 2050 et seq.), related authorization as provided by the Fish and Game Code will be required. CDFW also administers the Native Plant Protection Act, Natural Community Conservation Act, and other provisions of the Fish and Game Code that afford protection to California’s fish and wildlife resources.

B-1  
cont'd

## PROJECT DESCRIPTION SUMMARY

The proposed Project is located in the unincorporated areas of Nevada County (County). The County is bounded by Sierra County and Yuba County on the north, Yuba County on the west, Placer County on the south, and the state of Nevada on the east. Nevada County's total land area is 958 square miles, of which approximately 70% is privately owned and approximately 30% is public lands. Development within Nevada County consists of a mixed land use pattern and includes residential, commercial, industrial, agricultural, and public uses. Nevada County consists of numerous urbanized areas as well as rural residential, commercial, industrial, open space, and many areas used for agriculture. There are three incorporated cities within the County including Grass Valley, Nevada City, and Truckee. The proposed Nevada County Commercial Cannabis Cultivation Ordinance would not apply to these incorporated areas.

The Project consists of new County-specific regulations to address the licensing of cannabis cultivation activities only in the unincorporated areas of the County. As part of this action, the proposed Project is meant to help ensure public health and safety, and to protect the environment by legalizing and permitting existing cultivation as well as providing a means for new cultivation to obtain approval through the procedures described in the proposed regulations.

B-2

More specifically, the proposed Project defines the locations and zoning designations in which cannabis may be cultivated, sets size limitations on cultivation areas, defines three types of cultivation, provides for a structured permitting process, implements standards to help address neighborhood compatibility concerns and the provision of services and utilities, and implements procedures to protect natural resources and the environment. Additionally, adoption of the proposed Project would provide for local control over cannabis cultivation and provide a new source of revenue for the County through establishment of an increased tax base.

## COMMENTS AND RECOMMENDATIONS

CDFW offers the comments and recommendations below to assist Nevada County Planning Department in adequately identifying and, where appropriate, mitigating the Project's significant, or potentially significant, direct and indirect impacts on fish and wildlife (biological) resources. The Project Boundary Area includes all of unincorporated Nevada County, which has been identified to contain thousands of acres of protected conservation lands, core population areas for multiple State and federally listed species, and to support rare natural communities. The Project Boundary Area also includes the only known habitat

B-3

for many special status species and important geographic and topographic habitat areas that have been identified as critical to meet the recovery goals for many State and federally listed species.

B-3  
cont'd

## COMMENTS

In the NOP Comment Letter, CDFW recommended that the Lead Agency require Project proponents conduct a biological assessment prior to new ground-disturbing activities to determine impacts to biological resources that may occur on each site and determine if focused biological surveys are warranted. CDFW also recommended that all focused biological surveys be conducted well in advance of any ground disturbance in preparation for project-related activities and be conducted by qualified wildlife biologists and/or botanists during the appropriate survey periods in order to determine whether or not any special status species may be present within the proposed Project areas. Though Mitigation Measure MM BIO-2 of the DPEIR does require a Biological Resources Pre-Screening for all permit applications, CDFW recommends that all permit applications that include any new habitat modifications or new ground disturbing activities be required to submit a Biological Inventory conducted by a qualified biologist. CDFW continues to recommend that new cannabis cultivation sites be restricted to existing disturbed agricultural land.

B-4

Additionally, CDFW recommends that MM BIO-2 be revised to state: "If the pre-screening materials identify habitats known to support sensitive or special status plant or animal species, then a Biological Inventory shall be prepared by a qualified biologist."

As stated in the NOP Comment Letter if avoidance of special status species cannot be achieved, and therefore take (Fish & G. Code, § 86) of listed species may occur, then CDFW recommends that the permittee obtain an Incidental Take Permit (ITP), Consistency Determination (Fish & G. Code, §§ 2080.1 & 2081), or another method to comply with CESA prior to starting construction.

B-5

## Specific Recommendations for Special Status Species

Nesting Birds: Trees, shrubs, and grasses within the Project site and in the vicinity likely provide nesting habitat for birds including raptors. CDFW encourages construction-related activities to occur during the non-nesting bird season. However, if ground-disturbing activities must occur during the breeding season (February through mid-September), the Project applicant is responsible for ensuring that implementation of the Project does not result in any violation of the Migratory Bird Treaty Act or relevant Fish and Game Codes. Fish and Game Code sections that protect birds, their eggs and nests include, sections 3503 (regarding unlawful take, possession or needless destruction of the nest or eggs of any bird), 3503.5 (regarding the take, possession or destruction of any birds-of-prey or their nests or eggs), and 3513 (regarding unlawful take of any migratory nongame bird). CDFW recommends that surveys for active nests be conducted by a qualified wildlife biologist no more than 10 days prior to the start of construction related activities, and again if a lapse in construction related activities more than 15 days occurs. The surveys should be conducted in a sufficient area around the work site to identify any nests that are present

B-6

and to determine their status. A sufficient area means any nest within an area that could potentially be affected by construction-related activities.

B-6  
cont'd

Special Status Plant Species: If the Biological Pre-Screening identifies the potential of special status plant species to occur on the Project site, CDFW recommends that Project sites are surveyed for special status plants by a qualified botanist following the "Protocols for Surveying and Evaluating Impacts to Special Status Native Plant Populations and Natural Communities" (March 20, 2018). The guidance document is available here: <https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=18959&inline>. This protocol, which is intended to maximize detectability, includes the identification of reference populations to facilitate the likelihood of field investigations occurring during the appropriate floristic period. In the absence of protocol-level surveys being performed, additional surveys may be necessary. Further, CDFW recommends special status plant species be avoided whenever possible by delineation and observing a no disturbance buffer of at least 50 feet from the outer edge of the plant population(s) or specific habitat type(s) required by special status plant species. If buffers cannot be maintained, then consultation with CDFW may be warranted to determine appropriate minimization and mitigation measures for impacts to special status plant species. If a State- or federally listed plant species is identified during botanical surveys, consultation with CDFW and/or the USFWS should be conducted to determine the need for an ITP or an alternate way to demonstrate compliance with CESA.

B-7

State Special Status Animal Species: If the Biological Pre-Screening identifies the potential of special status species to occur on the Project site, CDFW recommends that focused surveys are conducted for these species well in advance of any ground-disturbance associated with projects resulting in ground-disturbance. The surveys should be done by qualified biologists familiar with the species during the appropriate survey period(s) and prior to Project implementations to determine if these species are present and if they could be impacted by a proposed project. Special Status Species should be avoided whenever possible by delineation and observing appropriate no-disturbance buffers for each species. If a State- or federally listed animal species is identified during biological surveys, consultation with CDFW and/or the USFWS should be conducted to determine the need for an ITP or an alternate way to demonstrate compliance with CESA.

B-8

## ENVIRONMENTAL DATA

CEQA requires that information developed in environmental impact reports and negative declarations be incorporated into a database which may be used to make subsequent or supplemental environmental determinations (Pub. Resources Code, § 21003, subd. (e)). Accordingly, please report any special-status species and natural communities detected during Project surveys to the California Natural Diversity Database (CNDDDB). The CNDDDB field survey form can be found at the following link:

<https://www.wildlife.ca.gov/Data/CNDDDB/Submitting-Data>. The completed form can be submitted online or mailed electronically to CNDDDB at the following email address: [CNDDDB@wildlife.ca.gov](mailto:CNDDDB@wildlife.ca.gov).

B-9

## FILING FEES

The Project, as proposed, would have an impact on fish and/or wildlife, and assessment of filing fees is necessary. Fees are payable upon filing of the Notice of Determination by the Lead Agency and serve to help defray the cost of environmental review by CDFW. Payment of the fee is required in order for the underlying project approval to be operative, vested, and final. (Cal. Code Regs, tit. 14, § 753.5; Fish & G. Code, § 711.4; Pub. Resources Code, § 21089.)

B-10

## CONCLUSION

Pursuant to Public Resources Code §21092 and §21092.2, CDFW requests written notification of proposed actions and pending decisions regarding the proposed project. Written notifications shall be directed to: California Department of Fish and Wildlife North Central Region, 1701 Nimbus Road, Rancho Cordova, CA 95670 or emailed to [R2CEQA@wildlife.ca.gov](mailto:R2CEQA@wildlife.ca.gov).

CDFW appreciates the opportunity to comment on the DPEIR to assist in identifying and mitigating Project impacts on biological resources. CDFW personnel are available for consultation regarding biological resources and strategies to minimize and/or mitigate impacts. Questions regarding this letter or further coordination should be directed to Kyle Stoner, Senior Environmental Scientist (Specialist) at (916) 767-8178 or [Kyle.Stoner@wildlife.ca.gov](mailto:Kyle.Stoner@wildlife.ca.gov).

B-11

Sincerely,



Joshua Grover  
Acting Regional Manager

ec: Jeff Drongesen, [jeff.drongesen@wildlife.ca.gov](mailto:jeff.drongesen@wildlife.ca.gov)  
Kursten Sheridan, [kursten.sheridan@wildlife.ca.gov](mailto:kursten.sheridan@wildlife.ca.gov)  
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Michael Shun, [michael.shun@wildlife.ca.gov](mailto:michael.shun@wildlife.ca.gov)  
*Department of Fish and Wildlife*

Office of Planning and Research, State Clearinghouse, Sacramento

## Response to Comment Letter B - California Department of Fish and Wildlife (CDFW)

**Response to Comment B-1:** The commenter provides introductory remarks about the California Department of Fish and Wildlife (CDFW) and appreciates the opportunity to comment. CDFW discusses their role as a Trustee Agency and that it has the jurisdiction over the conservation, protection, and management of wildlife populations and also provides support for CEQA compliance. The commenter notes CDFW also is submitting comments as a Responsible Agency and expects that it may need to exercise regulatory authority for items such as a lake and streambed alteration or “take” of species resulting from the proposed project, and implementation of other plant and wildlife protection measures such as the Native Plant Protection Act (NPPA), Natural Community Conservation Act (NCCA), and other Fish and Game Codes. This comment was introductory, and no environmental issues or concerns were raised. No further response is necessary.

**Response to Comment B-2:** The commenter provides a three-paragraph summary of the Project Description. This comment does not raise an environmental concern or question the adequacy of the DEIR. No further response is necessary.

**Response to Comment B-3:** The commenter prefaces the comments and recommendation of CDFW to assist Nevada County in identifying and where appropriate mitigating direct and indirect impacts. The commenter notes areas within the County include protected conservation lands, core population areas for State and federally listed species and rare natural communities. The commenter specifically notes the County contains the only known habitat that is critical to meet recovery goals for these species. This comment does not raise an environmental concern or question the adequacy of the DEIR. The information in this comment is further elaborated in subsequent comments and responded to below. The No further response is necessary.

**Response to Comment B-4:** The commenter notes that in previous comments on the Notice of Preparation (NOP), CDFW recommended a biological assessment be conducted prior to ground-disturbing activities and to determine if a focused biological survey is warranted. In addition, CDFW recommended the surveys be conducted at a time that will ensure that all subsequent surveys are conducted during the appropriate survey periods. CDFW recognized Mitigation Measure BIO-2 (MM BIO-2) requires a biological resource pre-screening but suggests any projects that include habitat modifications or new ground disturbance include a Biological Inventory. Lastly, CDFW recommended a language change to MM BIO-2 “If the pre-screening materials identify habitats known to support sensitive or special status plant or animal species, then a Biological Inventory shall be prepared by a qualified biologist.”

Mitigation Measure BIO-2 on page 4.4-53 of *Section 4.4 Biological Resources* stated that, “The proposed NCCO shall be amended to require all applicants to submit biological pre-screening materials of all project sites for both CCP and ADP applications.”

The NCCO was so amended as follows:

- Section G- Permitting of Commercial and Non-Remuneration Cannabis Activities, subsection 1.a.iv. pertaining to CCP’s now states, “All CCP permits are subject to all of the resource protection standards identified in Section L-II 4.3.3 of this Chapter.”

- Section G.2.d. now states, “Applicant must provide a complete application that contains all requirements of the CCP application listed in Section G.1.d, above.

MM BIO-2 and the associated amending of the NCCO strengthened the existing language of the County Development Code by specifically enumerating these requirements in the NCCO.

Beginning on page 3-41 of Section 3.0 Project Description under the subheading Comprehensive Site Development Standards, the DEIR states that Section L-II-4.3.1 Applicability would require that resource standards shall apply to all development permits, use permits, and subdivisions as appropriate. Accordingly, this would apply to all subsequent projects requiring either a CCP or an ADP. Page, 3-42, further explains the study requirements to include biological resources ( 1) Major Deer Habitat; 2) Trees; 3) Rare, Threatened and Endangered Species and their Habitat; and 4) Watercourses, Wetland and Riparian Areas) under the jurisdiction of CDFW. For clarity the language was revised and states (underlined portions are included for emphasis.)

“Where required, if any of the listed resource areas are potentially affected, project applications shall provide for the professional site-specific inventory and analysis of the resources and constraints identified in this Section. Inventories and analyses shall be funded by the applicant but prepared by independent consultants approved by, or under the direction of, County staff. This evaluation shall include recommended mitigation and/or alternatives necessary to avoid or lessen impacts. Accordingly, the Land Use and Development Code states, realistic and effective avoidance of impacts and then minimization of impacts must first precede the use of compensatory mitigation. Based on this evaluation, the County shall determine the acceptable level of resource impact and constraint avoidance of the project. All of the above listed resources and constraints shall be reviewed.”

The proposed project would maintain the requirement applicants to provide pre-screening documentation. The FEIR has been revised to include a requirement for a United States Fish and Wildlife Service (USFWS) Information for Planning and Consultation (IPaC) (<https://ecos.fws.gov/ipac/>) in addition to the previously listed pre-screening materials.

Based on the information included, the County will determine if a site-specific inventory or biological assessment would be required. For all projects, per the request of CDFW all projects that would result in new habitat modifications or ground disturbance would be required to submit a Biological Inventory conducted by a qualified biologist. If, after the Biological Inventory is completed, the qualified biologist determines that a more focused survey was needed, the qualified biologist prepare the documentation, and/or a Management Plan as required by Sec. L-II 4.3.3C – Management Plan, which is a tool that can be used to minimize the impacts of development on environmentally sensitive environmental resources and/or constraints.

The County also updated page 3-42 of *Section 3.0 Project Description*, with a minor change that states, “All of the above listed resources and constraints shall be reviewed,” but that mirrors the revised and strengthened language of the NCCO.

Based on the revisions to the NCCO, *Section 3.0 Project Description*, and *Section 4.4 Biological Resources*, that have been made to protect biological resources, these changes should meet or exceed the request made by CDFW in the associated comment.

**Response to Comment B-5:** The Commenter recommends that a permittee obtain an Incidental Take Permit (ITP) or other method to comply with the California Endangered Species Act (CESA) if avoidance of special status species cannot be avoided and prior to the start of construction.

If an impact to biological resources could not be reduced to less than significant through avoidance and a “take” would occur the project would be required to implement a Management Plan. The Management Plans are subject to approval by the Planning Agency unless review is required by CEQA. In these instances, CEQA review would be required in which case a “take” permit could be used to mitigate impacts. It should be noted that MM-BIO-2 includes language the conclusory sentence, “If potential impacts on these biological resources cannot be reduced to less than significant, no permit shall be issued.”

Based on these requirements of the proposed project the County believes this meets or exceeds all requirements of CDFW as well as CDFA regulations.

**Response to Comment B-6:** The commenter requests that if there are project site with habitat for nesting birds that may be disturbed and hence disrupt nesting bird during the breeding season that measures be implemented to avoid the disturbance. The commenter states that applicants are responsible for ensuring compliance with the Migratory Bird Treaty Act and relevant Fish and Game Codes that protect birds, their eggs, nests, and birds of prey. The commenter requests that standard measures including nesting bird surveys be conducted and if they are found, avoidance measures be incorporated.

As discussed in **Response to Comment B-4**, above, a pre-screening of the site to include an IPaC search would be performed as part of the application process. The pre-screening and application process would include a review of future projects sites and if there was habitat for nesting birds, a subsequent Biological Inventory would be triggered. **Response to Comment B-4** provides a detailed description of this process, and **Response to Comment B-5** discusses the process involved with a “take” and ensuring that these impacts would be reduced to less than significant.

Based on the listed requirements, the County believes these precautions meet or exceed all requirements of CDFW as well as applicable CDFA regulations.

**Response to Comment B-7:** The commenter requests that if there are sensitive plant species shown to have the potential to occur on the project site as a result of the pre-screening that a qualified botanist, following the “Protocols for Surveying and Evaluating Impacts to Special Status Native Plant Populations and Natural Communities,” survey the project site. The commenter further recommends that if sensitive plants are located appropriate measures to avoid and minimize disturbance. If buffers cannot be maintained the commenter notes that consultation with CDFW may be required.

As discussed in **Response to Comment B-4**, above, a pre-screening of the site to include an IPaC search would be performed as part of the application process. The pre-screening and application process would identify if sensitive species or habitats are located on or in proximity to the site and would trigger a

subsequent Biological Inventory. Response to Comment B-4 provides a detailed description of this process.

Based on the listed requirements, the County believes these precautions meet or exceed all requirements of CDFW as well as applicable CDFA regulations. No further response is required.

**Response to Comment B-8:** The commenter requests that if the pre-screening identified the potential for special status animal species to occur, that focused surveys are conducted for the species by a qualified biologist. As discussed above, in **Response to Comment B-4 and B-5**, conduction of a Biological inventory and subsequent Management Plan for future individual projects would be implemented.

Based on the listed requirements, the County believes these precautions meet or exceed all requirements of CDFW as well as applicable CDFA regulations. No further response is required

**Response to Comment B-9:** The commenter states that CEQA requires that information developed in EIR and negative declarations be incorporated into a database to make future determinations. The Commenter also requests that after project surveys all special status species and natural communities to the California Natural Diversity Database (CNDDB).

As part of any subsequent biological inventory, study, or assessment undertaken for any project under the proposed NCCO, the County will fully comply with this request. No further response is required.

**Response to Comment B-10** The commenter notes that the proposed project would have an impact on fish and/or wildlife and payment of filing fees is necessary and would be required upon filing the Notice of Determination (NOD).

The County will comply with this requirement and will pay the required fees under (Cal Code Regs, tit. 14 § 753.5; Fish &G. Code § 711.4;Pub. Resources Code, § 21089)

**Response to Comment B-11:** The commenter concludes the letter by stating that CDFW, pursuant to Public Resources Code (PRC) §21092 and §21092.2, requests notification of proposed actions and pending decisions regarding the proposed project. The Commenter provides an address and e-mail. The commenter closes the comment letter stating appreciation and noting that CDFW personnel are available for consultation regarding biological resources.

The County will comply with the listed PRC and notes the offer for consultation. No further response is required.



CALIFORNIA DEPARTMENT OF  
FOOD & AGRICULTURE

Karen Ross, Secretary

February 21, 2019

Nevada County  
Community Development Agency  
950 Maidu Avenue, Suite 170  
Nevada City, CA 95959  
Attention: Brian Foss Planning Director

Re: Review of Environmental Impact Report (SCH#2018082023) – Nevada County Commercial Cannabis Cultivation Ordinance Project.

Dear Mr. Foss:

Thank you for providing the California Department of Food and Agriculture (CDFA) CalCannabis Cultivation Licensing Division (CalCannabis) the opportunity to comment on the Environmental Impact Report (EIR) (SCH#2018082023) prepared by the County of Nevada for the proposed Nevada County Commercial Cannabis Cultivation Ordinance Project (Proposed Project).

CDFA has jurisdiction over the issuance of licenses to cultivate, propagate and process commercial cannabis in California. CDFA issues licenses to outdoor, indoor, and mixed-light cannabis cultivators, cannabis nurseries and cannabis processor facilities, where the local jurisdiction authorizes these activities. (Bus. & Prof. Code, § 26012, subd. (a)(2).) All commercial cannabis cultivation within California requires a cultivation license from CDFA.

CDFA certified a Programmatic Environmental Impact Report (PEIR) for its cannabis licensing activities on November 13, 2017. The PEIR can be found at the following link: [www.cdfa.ca.gov/calcannabis/PEIR.html](http://www.cdfa.ca.gov/calcannabis/PEIR.html). The PEIR provided an evaluation at a statewide level of the types of impacts expected to be caused by cannabis cultivation, including the cumulative impacts that would be expected under the CalCannabis Cultivation Licensing Program.

#### **CEQA Requirements for Annual State Cultivation License Applicants**

Pursuant to state regulations, CDFA requires an annual license applicant to provide evidence of exemption from, or compliance with, CEQA (Cal. Code of Regs., tit.3 §8102(r)). The evidence provided must be one of the following:

- (1) A signed copy of a project-specific Notice of Determination or Notice of Exemption and a copy of the associated CEQA document, or reference to where it may be located electronically, a project description, and/or any accompanying permitting documentation from the local jurisdiction used for review in determining site specific environmental compliance;
- (2) If an applicant does not have the evidence specified in subsection (1), or if the local jurisdiction did not prepare a CEQA document, the applicant will be responsible for the preparation of an



environmental document in compliance with CEQA that can be approved or certified by [CDFA], unless [CDFA] specifies otherwise.

When the project has been evaluated in a site-specific environmental document previously certified or adopted by the local Lead Agency, CDFA will evaluate the project as a Responsible Agency, as provided in section 15096 of the CEQA Guidelines. CDFA will act as the CEQA Lead Agency when the local jurisdiction prepares an NOE or when the local jurisdiction does not act as the Lead Agency (approving the project ministerially).

For a complete list of all license requirements please visit: [static.cdfa.ca.gov/MCCP/document/CDFA\\_Final\\_Regulation\\_Text\\_01162019\\_Clean.pdf](http://static.cdfa.ca.gov/MCCP/document/CDFA_Final_Regulation_Text_01162019_Clean.pdf).

## **General Comments**

### **1. Proposed Nevada County Cannabis Ordinance Availability**

The text of the proposed ordinance is not included in the draft EIR or its appendices. For the purposes of this comment letter, CDFA is relying on the draft ordinance dated 1/8/2018, and posted on the County's "Cannabis Conversation" website, located at: <https://www.mynevadacounty.com/DocumentCenter/View/24694/DRAFT-Ordinance-for-RFP-52> ("Draft Ordinance").

CDFA requests that the Draft Ordinance, amended as specified in the mitigation measures proposed by the draft EIR, be included as an appendix to the final EIR.

### **2. Cannabis Permitting Terminology**

CDFA notes that the Draft Ordinance requires each cannabis cultivator in Nevada County to obtain two local permits, including an "Annual Cannabis Permit" and a land use permit. For cultivation projects with 2,500 square feet of canopy or less, the Draft Ordinance requires a "Administrative Development Permit" (ADP). For projects with a canopy of 2,501-10,000 square feet, cultivators must secure a "Conditional Use Permit" (CUP).

The EIR ascribes different names to the land use permit types that will be issued by Nevada County than the names used in the Draft Ordinance. The EIR explains that the Draft Ordinance requires a Cannabis Cultivation Permit (CCP) for cultivation canopy less than 2,500 square feet, and an ADP for cultivation canopy between 2,501 and 10,000 square feet. (see e.g., EIR, p. 3-20.) These differences are unexplained in the EIR, and are therefore confusing to the reader. CDFA requests that either the EIR or the Draft Ordinance be amended so that the permit terminology is consistent between documents. For the purposes of this comment letter, CDFA will refer to the permit types as listed in the EIR.

### **3. State Cannabis License Requirements**

Nevada County's draft cannabis ordinance states that an application for a local Annual Cannabis Permit must include a "[c]opy of valid state license allowing for type of Commercial Cannabis Activity applied for[.]" (Draft Ordinance §§ 1.6(A)(5)(k), (B)(7)(m).) This suggests that Nevada County will require applicants to obtain a state license from CDFA prior to applying for a license from Nevada County. If Nevada County's final cannabis ordinance retains this framework, CDFA may be required to act as the

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Lead Agency when a project proponent applies for an annual license. Some projects may require extensive CEQA documentation, which may result in significant delays to projects receiving state cultivation licenses.

As the Lead Agency, CDFA would need to prepare a CEQA document for the project or require the applicant to prepare the document for CDFA review. Given CDFA's limited resources, the processing of applications for such projects would be significantly delayed. CDFA instead recommends that Nevada County complete site-specific CEQA compliance for all projects. In the interest of conserving the County's resources, CDFA recommends that it use one of the streamlined CEQA compliance options available, when projects qualify for such options, including:

- Complete an NOE for any projects where it can be demonstrated that the project would not have the potential for a significant effect on the environment (General Rule Exemption, CEQA Guidelines §15061(b)(3));
- Complete an NOE for any projects qualifying for one or more classes of categorical exemption (CEQA Guidelines §15300 et. seq.);
- Complete an addendum to the County's program EIR for any project that qualifies (CEQA Guidelines §15164);
- Prepare an IS/ND or IS/MND tiered from the CDFA PEIR and/or the Nevada County program EIR, for projects not qualifying for either an addendum or a categorical exemption.

#### **4. Ministerial Approvals**

For CCPs, the EIR states that the "permitting process is considered ministerial and would be processed by the Building Department." (EIR, p. 3-33.) When local jurisdictions issue permits under a ministerial licensing process, CDFA may be required to act as Lead Agency for CEQA purposes. In the "Future Entitlements" section, the EIR states that the Nevada County EIR may be used by the County "as a basis to begin environmental analysis." It goes on to state:

*Based on the information provided in project-specific applications, the Planning Director would determine if potential impacts are fully covered in the context of this Program EIR. If the Planning Director determines that pursuant to State CEQA Guidelines Section 15162, that now new effects could occur, or no new mitigation measures would be required, then agency can approve the project as being within the scope of the project covered by the program EIR, and no new environmental document would be required. Conversely, if a future project would have impacts that were not identified in the program EIR, a new initial study would be required to determine the appropriate environmental document to be prepared. (EIR, p. 3-43.)*

As described above in General Comment 3, issuance of local approvals without site-specific CEQA compliance may lead to delays in the issuance of licenses by CDFA. For projects approved by ministerial action, and for which temporary licenses are due to expire before site-specific CEQA compliance may be

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completed, CDFA may issue provisional licenses. However, CDFA cannot issue provisional licenses without evidence that site-specific CEQA compliance is underway (Bus. & Prof. Code § 26050.2).

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### **5. Significant and Unavoidable Findings**

The EIR concludes that the Proposed Program will result in a number of Significant and Unavoidable direct and cumulative impacts. These include impacts to Aesthetic Resources, Agricultural Resources,<sup>1</sup> Air Quality, Biological Resources, Hydrology and Water Quality, Land Use, Transportation and Traffic, and Planning, Utilities and Service Systems, and Energy.

C-7

When CDFA acts as a Responsible Agency in approving a cultivation license, it may not issue an annual license project if it finds any feasible alternative or mitigation measures it could impose that would substantially lessen or avoid any significant environmental effect resulting from its action. (Cal. Pub. Res. Code §21002.1(b); Cal. Code Regs., tit.14, §15096(g)(2).) Further, if the local PEIR identifies significant effects pertaining to the activities that CDFA is responsible for approving, then CDFA must make the findings required by Public Resources Code section 21081 and California Code of Regulations title 14, section 15091 and, if needed, must adopt a statement of overriding considerations as required by California Code of Regulations title 14, section 15093. (Cal. Code Regs., tit.14, §15096(h).) Given the volume of applications being processed by CDFA, this may delay the processing of applications from Nevada County.

C-8

Further, Nevada County should note that the existence of Significant and Unavoidable impacts may limit its options for subsequent CEQA analysis of individual projects. If Nevada County determines that a cultivation project is eligible for a categorical exemption under CEQA, CDFA will still be responsible for reviewing all documentation upon which Nevada County made such determination, and making its own determination regarding whether such evidence is adequate for CDFA's purposes of issuing an annual license. In order to issue an annual license for projects approved using a categorical exemption, CDFA would need to determine that the project does not make a considerable contribution to any Significant and Unavoidable impacts identified in the County's program EIR (14 Cal. Code of Regs. § 15300.2(b)). Therefore, when approving categorical exemptions, CDFA recommends that Nevada County provide evidence that these projects would not make a considerable contribution to such impacts, when combined with successive projects of the same type in the same place, over time.

C-9

### **6. Resource Topics Added to 2019 CEQA Guidelines**

On December 28, 2018, the Governor's Office of Planning and Research issued revised CEQA Guidelines (Cal. Code Regs., tit. 14, §15000 et. seq.) including a revised Appendix G checklist. These revised Guidelines include some reorganization intended to reduce redundancies, but also incorporate changes resulting from legislation and case law since the prior update. The Nevada County EIR includes most of

C-10

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<sup>1</sup> Nevada County's EIR states that the County does not consider cannabis to be an agricultural product. (EIR, p. 4.2-9.) The EIR found significant and unavoidable impacts related to conversion of farmland to a non-agricultural use. Because CDFA considers cannabis an agricultural product, it would not consider these particular impacts to be significant for the purpose of issuing cultivation licenses for Nevada County.

the changes made to the updated Appendix G checklist. However, while there is some discussion of fire protection impacts in the Hazards section, the EIR does not address the questions in the new Appendix G Checklist related to Wildfire. Nevada County should evaluate these topic areas. A copy of the new Appendix G checklist can be found at: [www.califaep.org/index.php?option=com\\_content&view=article&id=111&Itemid=258](http://www.califaep.org/index.php?option=com_content&view=article&id=111&Itemid=258)

C-10  
cont'd

### **7. Need to Acknowledge and Consider CDFA Cannabis Cultivation Regulations**

The EIR should acknowledge that CDFA is responsible not only for licensing, but also for regulation of cannabis cultivation and enforcement as defined in the Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA) and CDFA regulations related to cannabis cultivation (Bus. & Prof. Code, §26102).

On January 16, 2019, California's three state cannabis licensing authorities (CDFA, Bureau of Cannabis Control, and Office of Manufactured Cannabis Safety) announced that the Office of Administrative Law (OAL) officially approved state regulations for cannabis businesses across the supply chain. CDFA's regulations implement MAUCRSA with respect to the regulation, licensure, and enforcement of cannabis cultivation activities. Cannabis may not be cultivated for commercial purposes without a license from the state, and cultivators are required to comply with all CDFA regulations related to cannabis cultivation. Nevada County's EIR should acknowledge these regulations, which provide important information for both local jurisdictions and cannabis cultivation applicants regarding State cultivation requirements generally and measures they include intended to reduce the impacts of cannabis cultivation on the environment. These regulations can be found at California Code of Regulations, title 3, section 8000, et. seq.

C-11

The "Regulatory Setting" sections for resource topics regulated by CDFA should describe the requirements contained in the regulations that pertain to each topic, as well as the protections for resources provided by these regulations. In addition, the impact analysis for each of the following resource topics should consider the effects of state regulations on reducing the severity of impacts resulting from implementation of the Proposed Project.

C-12

- **Aesthetics** - CDFA's regulations pertaining to aesthetics, including requirements related to artificial lighting. (Cal. Code Regs., tit. 3 §§8304(c) and (g).)

C-13

- **Air Quality and Greenhouse Gas Emissions** - CDFA's regulations related to the following requirements:

- Regulations pertaining to generator use and renewable energy. (Cal. Code Regs., tit. 3 §§8305 and 8306.)
- Protocols to reduce impacts to air quality resources, including requirements that prohibit burning of cannabis waste. (Cal. Code Regs., tit. 3 §8308.)

C-14

- **Biological Resources** - CDFA's regulations related to the following requirements:

C-15

- Enrollment in an order or waiver of waste discharge requirements with the SWRCB or the appropriate RWQCB. (Cal. Code Regs., tit. 3 §8102(p).)
  - Submit a copy of any final lake or streambed alteration agreement issues by CDFW, or verification that such agreement is not required. (Cal. Code Regs., tit. 3 §8102(v).)
  - Compliance with section 13149 of the Water Code as implemented by the State Water Resources Control Board, Regional Water Quality Control Boards, or California Department of Fish and Wildlife. (Cal. Code Regs., tit. 3 §8304(a).)
  - Compliance with any conditions requested by the California Department of Fish and Wildlife or the State Water Resources Control Board under section 26060.1(b)(1) of the Business and Professions Code. (Cal. Code Regs., tit. 3 §8304(b).)
  - If the SWRCB or CDFW notifies CDFA that cultivation is causing significant adverse impacts on the environment in a watershed or geographic area, CDFA may not issue new licenses. (Cal. Code Regs., tit. 3 §8216.)
  - Restrictions on use of generators. (Cal. Code Regs., tit. 3 §8306.)
  - All outdoor lighting used for security purposes shall be shielded and downward facing and that mixed-light license types of all tiers and sizes shall ensure that lights used for cultivation are shielded from sunset to sunrise to avoid nighttime glare. (Cal. Code Regs., tit. 3 §§8304(c) and (g));
- C-15  
cont'd
- **Cultural Resources** - CDFA regulations require that, if cultural resources are unexpectedly discovered during cultivation, the licensee must suspend activities immediately. (Cal. Code Regs., tit. 3 §8304(d).)
- C-16
- **Hazards and Hazardous Materials** – Comply with CDFA regulations that:
    - Require cultivators to comply with CDPR laws and regulations related to cannabis cultivation. ((Cal. Code Regs., tit. 3 §8307(a).)
    - Contain protections to minimize impacts related to hazards and hazardous materials, including pesticide storage and application requirements (See Cal. Code Regs., tit. 3 §§8106(a)(3) and 8307) and requirements that applicants conduct an EnviroStor search. (Cal. Code Regs., tit. 3 §8102(q).)
    - Contain protocols to reduce potential effects from pesticide use, including compliance with all label requirements, storage of chemicals in a secure building, containment of leaks and spills, application of the minimum amount necessary to control the target pest, and prevention of off-site drift. (Cal. Code Regs., tit. 3 §8307(b).)
- C-17

- Require enrollment in an order or waiver of waste discharge requirements with the SWRCB or the appropriate RWQCB. (Cal. Code Regs., tit. 3 §8102(p).)
  - Submit a copy of any final lake or streambed alteration agreement issues by CDFW, or verification that such agreement is not required. (Cal. Code Regs., tit. 3 §8102(v).)
  - Comply with section 13149 of the Water Code as implemented by the State Water Resources Control Board, Regional Water Quality Control Boards, or California Department of Fish and Wildlife. (Cal. Code Regs., tit. 3 §8304(a).)
  - Comply with any conditions requested by the California Department of Fish and Wildlife or the State Water Resources Control Board under section 26060.1(b)(1) of the Business and Professions Code. (Cal. Code Regs., tit. 3 §8304(b).)
- Hydrology and Water Quality – Comply with CDFA regulations that:**
- Contain protocols to reduce impacts to hydrology and water quality resources, including some of the requirements listed above.
  - Requires cultivators to provide evidence of enrollment in an order or waiver of waste discharge requirements with the State Water Resources Control Board or the appropriate Regional Water Quality Control Board. (Cal. Code Regs., tit. 3 §8102(p).)
  - Require submission of a copy of any final lake or streambed alteration agreement issues by CDFW, or verification that such agreement is not required. (Cal. Code Regs., tit. 3 §8102(v).)
  - Compliance with section 13149 of the Water Code as implemented by the State Water Resources Control Board, Regional Water Quality Control Boards, or California Department of Fish and Wildlife. (Cal. Code Regs., tit. 3 §8304(a).)
  - Compliance with any conditions requested by the California Department of Fish and Wildlife or the State Water Resources Control Board under section 26060.1(b)(1) of the Business and Professions Code. (Cal. Code Regs., tit. 3 §8304(b).)
  - Identification of all water sources used for cultivation activities. (Cal. Code Regs., tit. 3 §8102(v).)
  - If the SWRCB or CDFW notifies CDFA that cultivation is causing significant adverse impacts on the environment in a watershed or geographic area, CDFA may not issue new licenses. (Cal. Code Regs., tit. 3 §8216.)
  - Requires compliance with regulations related to groundwater use. (Cal. Code Regs., tit. 3 §8107(b).)

C-17  
cont'd

C-18

- **Noise** - CDFA regulations contain protocols to reduce noise impacts, including use of generators. (Cal. Code Regs., tit. 3 §8306.)

C-19

- **Utilities and Service Systems** - CDFA's regulations related to the following requirements:

- Identification of all water sources used for cultivation activities. (Cal. Code Regs., tit. 3 §8102(v).)
- Compliance with regulations for groundwater use. (Cal. Code Regs., tit. 3 §8107(b).)
- Compliance with regulations for solid waste management (Cal. Code Regs., tit. 3 §§8108, 8308.)

C-20

- **Energy** - CDFA's regulations related to the following requirements:

- Identification of all power sources used for cultivation activities. (Cal. Code Regs., tit. 3 §8102(s).)
- Compliance with renewable energy requirements. (Cal. Code Regs., tit. 3 §8305.)
- Compliance with regulations for generators. (Cal. Code Regs., tit. 3 §8306.)

C-21

- **Cumulative Impacts** – See above for individual topics.

C-22

#### **8. Update References to MCRSA and AUMA**

The EIR contains several references to the Medical Cannabis Regulation and Safety Act (MCRSA) and Adult Use of Marijuana Act (AUMA). In June 2017, the California Legislature passed a budget trailer bill, Senate Bill 94 (amended by AB 133 on September 16, 2017), that repealed MCRSA and integrated the medicinal licensing requirements with AUMA to create MAUCRSA. (Bus. & Prof. Code, section 26000 et. seq.). References in the EIR to the MCRSA and AUMA as controlling legislation should be revised to reflect this.

C-23

#### **Specific Comments and Recommendations**

In addition to the general comments provide above, CDFA provides a table on the following page with specific comments regarding the analysis provided in the EIR.

C-24

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| Comment No. | Page No(s).  | Resource Topic      | EIR Text                                                                                                                                                                                                                                                                               | CDFA Comments and Recommendations                                                                                                                                                                                                                                                                    |
|-------------|--------------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1           | 1-10         | Introduction        | The NOA provides notice of a minimum 45-day public review and comment period for the Draft EIR, from January 11, 2019 to February 25, 2019, and the Draft EIR is made available on the County's website (XX website link) and at the County libraries (CEQA Guidelines Section 15087). | The EIR should include the website link information.                                                                                                                                                                                                                                                 |
| 2           | 2-4 to 2-5   | Executive Summary   | Section 2.4 contains a list of significant and unavoidable impacts in several resource areas, including aesthetics, agricultural resources, air quality, biological resources, hydrology and water quality, land use and planning, utilities and service systems, and energy.          | In addition to the resource topics listed in section 2.4, the EIR found significant and unavoidable impacts in Transportation and Traffic that are not listed in this section. In addition, the significance finding for light and glare impacts for aesthetics resources is unclear. See comment 6. |
| 3           | 2-11 to 2-23 | Executive Summary   | N/A (general comment)                                                                                                                                                                                                                                                                  | The information in the "Level of Significance After Mitigation" column in Table 2-3 appears to be inconsistent with the text of the EIR with regard to light and glare impacts. See Comment 6.                                                                                                       |
| 4           | 3-2 to 3-3   | Project Description | N/A (general comment)                                                                                                                                                                                                                                                                  | The "State Regulatory Setting" section, should describe CDFA's regulations that implement MAUCRSA with respect to the regulation, licensure, and enforcement of cannabis cultivation activities. Cannabis may not be cultivated for commercial                                                       |

C-24  
cont'd

C-25

C-26

C-27

| Comment No. | Page No(s). | Resource Topic | EIR Text                             | CDFA Comments and Recommendations                                                                                                                                                                                                                                                                        |      |
|-------------|-------------|----------------|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
|             |             |                |                                      | purposes without a license from the state, and cultivators are required to comply with all CDFA regulations related to cannabis cultivation. See General Comment 7.                                                                                                                                      | C-28 |
| 5           | 4.1-13      | Aesthetics     | N/A (general resource topic comment) | Section 4.1.2, "Regulatory Setting," should describe state laws related to aesthetics (e.g. California Scenic Highway program) as well as applicable CDFA regulations. The analysis of impacts for this resource topic should include consideration of such laws and regulations. See General Comment 7. | C-29 |

|   |                  |                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                    |      |
|---|------------------|-------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| 6 | 4.1-29 to 4.1-30 | Aesthetics                                | On Page 4.1-29, the EIR concludes that “Implementation of Mitigation Measure AES-2 <i>would reduce potential impacts to less than significant.</i> ” On the following page, under “Level of Significance after Mitigation,” the EIR states “While the listed mitigation measure would reduce lighting impacts, light from other non-cultivation uses such as security lighting and other nighttime lighting, could still result in changes to the nighttime environment and impact sky and nighttime glow. Therefore, <i>impacts would remain significant.</i> ” (Emphasis added.) | Please clarify whether this impact is less than significant after mitigation or significant and unavoidable.                                                                                                                                                       | C-30 |
| 7 | 4.8-33           | Hydrology and Water Quality               | “Under the RWQCB standards, all cannabis cultivation activities in western Nevada County within the CBRQCB jurisdiction and all projects in eastern LRWQCB jurisdiction, even if currently permitted would be required to apply with the RWQCB General Order (WQ 2017-0023-DWQ) prior to July 1, 2019.”                                                                                                                                                                                                                                                                            | The EIR refers to the “CBRQCB.” This should be CVRWQCB. In addition, the EIR should acknowledge that following July 1, 2019 all cultivators should apply to the SWRCB rather than the CVRWQCB.                                                                     | C-31 |
| 8 | 5-6 to 5-7       | Cumulative Impacts (Biological Resources) | “[T]he overall project contribution to significant cumulative impacts to special status plants, would be cumulatively considerable and significant and unavoidable when                                                                                                                                                                                                                                                                                                                                                                                                            | The cited text is repeated three times in the same section. This appears to be a typo. Please confirm that the EIR intends to conclude that in addition to cumulative impacts on special status plants, the EIR finds cumulative impacts to wetlands and waters of | C-32 |

|    |              |                                                          |                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                |
|----|--------------|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
|    |              |                                                          | considered over the unincorporated area of the County.”                                                                                                                                                                            | the United States and on resident or migratory wildlife corridors or nursery sites.                                                                                                                                                                                                                                                                                                                                                                                     | C-32<br>cont'd |
| 9  | 5-13 to 5.14 | Cumulative Effects (Significant and Unavoidable Impacts) | Section 5.2 contains a list of significant and unavoidable impacts in several resource areas, including agricultural resources, air quality, biological resources, hydrology and water quality, and utilities and service systems. | The list of significant and unavoidable impacts is inconsistent with the text of the EIR, and also with the list of significant and unavoidable impacts provided in the Executive Summary. The list of significant and unavoidable impacts provided in Section 5.2 does not include aesthetics, energy, land use and planning, or transportation and traffic, which were also found in the EIR to be significant and unavoidable. (EIR., p. 2-4 to 2-5.) See Comment 2. | C-33           |
| 10 | 6-3          | Alternatives (Summary of Project Impacts: Aesthetics)    | N/A (general resource topic comment)                                                                                                                                                                                               | The summary of impacts for Aesthetics states that any impacts from the Proposed Program would be less than significant. However, the significance finding for light and glare impacts for aesthetics resources is unclear. See Comment 6.                                                                                                                                                                                                                               | C-34           |

### Conclusion

CDFA appreciates the opportunity to provide comments on the EIR for the Nevada County Cannabis Ordinance. If you have any questions about our comments or wish to discuss them, please contact Kevin Ponce, Senior Environmental Scientist, at [(916) 263-0801 or via e-mail at [Kevin.Ponce@cdfa.ca.gov](mailto:Kevin.Ponce@cdfa.ca.gov).

C-35

Sincerely,



Lindsay Rains  
Licensing Program Manager

cc

## **Response to Comment Letter C - California Department of Food and Agriculture (CDFA)**

**Response to Comment C-1:** The commenter provides introductory remarks about the California Department of Food and Agriculture (CDFA) and appreciates the opportunity to comment. CDFA discusses their jurisdiction over the issuance of licenses for commercial cannabis cultivation and related activities and notes that all commercial cultivation requires a license from CDFA. The commenter notes that CDFA completed a programmatic environmental impact report (PEIR) that provided an evaluation of impacts expected at the statewide level under the CalCannabis Cultivation Licensing Program. This comment is introductory, and no environmental issues or concerns were raised. No further response is required.

**Response to Comment C-2:** The commenter discusses the CEQA requirements for applicants to obtain an annual state cultivation licenses from CDFA. This requires the applicant to provide evidence of exemption from or show compliance with CEQA. The commenter notes that this can be done in accordance with California Code of Regulations §8102 (r) which specifically addresses the requirement to show evidence of exemption from, or compliance with, division 13 (commencing with section 21000) of the Public Resources Code, California Environmental Quality Act (CEQA). The commenter continues and describes this part of the new regulations as they pertain to the required CEQA review and Lead Agency status. The commenter notes that for a cannabis project to be approved by CDFA it will require either a signed copy of a project-specific Notice of Determination (NOD) or Notice of Exemption (NOE) with a copy of the associated CEQA document; or applicants can complete a CEQA document that can be approved or certified by CDFA.

The County notes that this regulation is part of the California Code of Regulations (CCR) Title 3. Food and Agriculture, Division 8 Cannabis Cultivation, Chapter 1 Cannabis Cultivation Program that is newly revised and was formally adopted by the Office of Administrative Law on January 16, 2019. The County also recognizes that these newly approved state regulations for cannabis regulate businesses across the supply chain and that the new cannabis regulations took effect immediately upon their adoption and that the previous CDFA emergency regulations are no longer in effect.

The commenter summarizes the requirements stating, “when the project has been evaluated in a site-specific environmental document previously certified or adopted by the local Lead Agency, CDFA will evaluate the project as a Responsible Agency, as provided in §15096 of the CEQA Guidelines. CDFA will act as the CEQA Lead Agency when the local jurisdiction prepares an NOE or when the local jurisdiction does not act as the Lead Agency (approving the project ministerial).”

The County understands that based on the requirements of the revised CDFA regulations, and for commercial cannabis applicants in Nevada County to obtain a State License, and for Nevada County to retain Lead Agency status under CEQA, the licensing process under the NCCO will have to fulfill the requirements of the CDFA application review process. The County understands that for all applicants trying to obtain a State License, a site-specific environmental/CEQA evaluation will be required for each project. The County understands that to fulfill this requirement, commercial cannabis cultivation projects should demonstrate site-specific environmental review. For example, a project could provide CDFA with a Notice of Determination (NOD) after either a Negative Declaration (ND), Mitigated Negative Declaration (MND) or Environmental Impact Report (EIR) is prepared for the project. A project could also provide CDFA with a NOD following a determination that the project is within the scope of this EIR. And

a project could also provide CDFA with a Notice of Exemption (NOE) in accordance with Article 19 of State CEQA Guidelines, section 15300 (Categorical Exemptions) with supporting environmental documentation showing environmental compliance. The County understands that if only an NOE is prepared with not supporting documentation CDFA would act as the Lead Agency.

Revisions to the FEIR have been made to clarify the County's understanding of the newly adopted CDFA state licensing regulations. It should be noted that revisions will help ensure the potential environmental impacts of the proposed project are further reduced from those previously discussed in the DEIR and no new impacts would occur. The commenter also is referred to **Response to Comment C-6** below, which is related to the information provided above. No further response is required.

**Response to Comment C-3:** The commenter notes that the full language of the proposed NCCO is not provided within the DEIR or Attachments. The County notes that the process of drafting the NCCO has been an ongoing and the NCCO has experienced numerous modifications and adjustments to be responsive to changing regulations and to be responsive to public input even while the DEIR was being prepared. The commenter is referred to Page 3-4 of *Section 3.0 Project Description*, which provides additional detail about the evolution of the NCCO. In direct response to the Commenters request, the full text of the now final NCCO, including changes due to comments in this letter, is included as Attachment A.

It should be noted that revisions will help ensure the potential environmental impacts of the proposed project are further reduced from those previously discussed in the DEIR and no new impacts would occur. No further response is required.

**Response to Comment C-4:** The commenter notes that it may be confusing to some readers because the terminology related to the permitting types is different between the text of the NCCO and the DEIR. The commenter is correct that the descriptions of the permitting types is different. The commenter is referred to **Master Response 3**, which described the application processes, and **Response to Comment C-3**, above, and also is provided the following clarification.

The NCCO has undergone revisions to attempt to be responsive to changing regulations, information obtained during the drafting of the DEIR, and requests from stakeholders and members of the public. The terminology related to an Annual Cannabis Permit (ACP), Administrative Development Permit (ADP), and Cannabis Cultivation Permit (CCP) in the DEIR is the correct. However, it should be noted that due to comments received from CDFA and other interested parties and agencies the permitting process has been clarified to describe the robust environmental review process through the listed permitting options. The language used in the DEIR has been modified to clarify these distinctions in the Final EIR. The Commenter is referred to **Response to Comment C2** and **C3**, above, for further information. No further response is required.

**Response to Comment C-5:** The commenter notes that under an ACP one of the requirements is to obtain a valid state license. The commenter suggests that if an applicant attempts to obtain a state license prior to obtaining the proper permitting, including appropriate CEQA review, through the County, CDFA would become the Lead Agency for the purposes of the CEQA process. The commenter further describes the environmental review process that would be required under CEQA. The Commenter recommends that the County complete site-specific CEQA compliance for all proposed projects under the NCCO and

recommends that the County use one of the streamlined compliance options available and as listed in the comment letter

The County generally concurs with the assessment of the environmental review and CEQA process, and the text of the DEIR has been revised to clarify the environmental review process, including the addition of the list of potential CEQA compliance options highlighted by CDFA.

The commenter also is referred to **Master Response 3** and **Response to Comment C-2**, above and **Response to Comment C6**, immediately following. Changes and modifications to the DEIR have been made based on this comment. None of the changes alter the findings or increase the significance of impacts related to the proposed project. These changes are anticipated to encourage greater environmental compliance and result in fewer potential impacts due to the clarifications related the layers of environmental review. No further response is required.

**Response to Comment C-6:** The commenter describes the proposed process for approval of a CCP and the associated ministerial process. The commenter notes that under such a structure, CDFA may be required to act as the Lead Agency for the purposes of CEQA review due to the need for site-specific environmental review to enable issuance of a state license by CDFA.

The term “ministerial” has been removed from the FEIR and NCCO. To clarify, the County’s intent of using a CCP was not to avoid required CEQA or environmental review, but rather to utilize resources and County personnel in a way that would maximize efficiency and enable prompt processing of cannabis cultivation permits for smaller projects (less than 2,500 sf of cultivation) that could only occur under a CCP. All CCP projects are intended to undergo a thorough environmental review to ensure environmental resources were protected. The FEIR (specifically pages (3-33 and 3-34) have been revised to provide clarity on the proposed CCP process and now specifically includes language related to CDFA and CCR Section §8304. General Environmental Protection Measures.

In addition to the above, the County has included the CCP and ADP Application Packets including ADP and CCP Checklists as Attachment B. The CCP and ADP Checklists detail the application process and procedures including a flow chart for needed permits to ensure water quality is protected, protection of biological resources, site design requirements, fire safety compliance, etc. The CCP and ADP Checklists, which will help ensure environmental compliance by providing the County with details regarding cannabis cultivation projects has been added as Attachment B. As part of the permitting process the CCP Checklist and ADP Checklists will be required for all commercial cannabis cultivation projects within the County. Among other things, the checklists will require applicants to do the following: include a detailed site plan showing all cultivation areas and other structures, ensure that all setbacks and fire access requirements are met, identify permit(s) for water source(s), provide a Lake and Streambed Alteration Agreement (LSAA) if applicable, and provide erosion control plans and other water quality protection plans, as required.

These checklists will confirm whether individual CCP and ADP projects are within the scope of this EIR, whether additional environmental review is required, or whether projects are exempt. CEQA Guidelines section 15168 allows a local agency, like the County, to determine that a subsequent activity is within the scope of a prior EIR and, if so, to file a NOD. As stated by the Supreme Court in *Committee for Green Foothills v. Santa Clara County Bd. of Supervisors* (2010) 48 Cal. 4th 32, 44-45:

“[a]fter a program EIR...has been prepared, subsequent activities in the program must be examined in light of the EIR to determine whether additional environmental review is necessary. (Guidelines, § 15168, subd. (c).) If no new environmental effects are expected, the agency can approve the activity as within the scope of the prior EIR. (Guidelines, § 15168, subd. (c)(2).)”

Following the County’s determination that any CCP or ADP is within the scope of this EIR, it could then file a Notice of Determination. (See *Committee for Green Foothills, supra*, at 56, explaining that NODs are filed for approvals of subsequent activities.) The individual permit holder could then present any NOD to CDFA when applying for a state license. No further response is required.

**Response to Comment C-7:** The commenter correctly summarizes significant unavoidable impacts that would result to Aesthetic Resources, Agricultural Resources, Air Quality, Biological Resources, Hydrology and Water Quality, Land Use, Transportation and Traffic, Utilities and Service Systems, and Energy. This comment does not raise an environmental issue and no further response is required.

**Response to Comment C-8:** The commenter notes that when CDFA acts as a Responsible Agency for approval of cultivation licenses, a license may not be issued if it finds a feasible alternative or mitigation measure to substantially lessen environmental effects. The commenter further states, “...if the local PEIR identifies significant effects pertaining to the activities that CDFA is responsible for approving, then CDFA must make the findings required by Public Resources Code section 21081 and CCR Title 14, Section 15091, and if needed must adopt a statement of overriding considerations...” This comment is concluded that this action may slow the processing of applications within the County.

The County understands CDFA’s role as a Responsible Agency. The County does not anticipate the need for CDFA to act as a Lead Agency. As discussed above, the County has incorporated a robust environmental review process that would be implemented for future commercial cannabis cultivation projects. On a project by project basis, it is anticipated that through implementation of the checklists in Attachment B, compliance with CDFA regulations, and incorporation of additional mitigation measures and conditions of approval, as needed will reduce or eliminate environmental impacts for the majority of future individual projects under the NCCO.

A program Level EIR was prepared to evaluate the overall project of the NCCO for all unincorporated lands within Nevada County. A PEIR was appropriate to evaluate the environmental impacts that could occur within the scope of the project as a whole. On page 1-4 of *Section 1.0 Introduction*, the use of the program EIR is discussed as follows:

“This EIR is being prepared as a Program EIR in accordance with Section 15168 of the CEQA Guidelines, which states the following:

- a) *General. A Program EIR is an EIR, which may be prepared on a series of actions that can be characterized as one large project and are related either:*
  - 1) *Geographically,*
  - 2) *As logical parts in the chain of contemplated actions,*

- 3) *In connection with issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program, or*
- 4) *As individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways."*

A PEIR is the appropriate level of CEQA analysis due to the size and scale and the fact that the NCCO is one large project and the individual commercial cultivation projects that would be authorized by the NCCO are linked geographically (within Nevada County), are logical parts of contemplated and likely actions, are all connected to the same NCCO, would be approved by the same authority, and would be likely to have similar environmental effects that can be mitigated in similar ways.

Regarding the findings of impacts to be Significant and Unavoidable, the County, based on the scope and scale of the project, the varying environmental conditions (most notably hydrology and water features, landforms affecting aesthetics, biological resources, availability of utilities and energy, and transportation corridors found within the county), and the diversity of development, it was not possible to ensure environmental impacts to these resources even with mitigation, would be reduced to less than significant levels.

In accordance with State CEQA Guideline 15126 (Consideration and Discussion of Environmental Impacts), all phases of a project must be considered when evaluating its impact on the environment: planning, acquisition, development, and operation. This includes impacts determined to be significant environmental effects, which cannot be avoided if the proposed project is implemented.

As discussed above, in **Response to Comments C2, C5, and C6**, the environmental review process for future projects would be implemented and standard permitting conditions and mitigation measures imposed as determined necessary through use of the environmental checklists on a project by project basis. It is anticipated for most projects that this environmental review process would enable use of a NOD following a determination that the individual project falls within the scope of the PEIR. Some projects may require an even more robust environmental review with an additional IS/ND or IS/MND. In all these instances, impacts would be less than significant or less than significant with mitigation.

In direct response to the CDFA comment, the County recognizes that there is the potential that some future applicants may propose projects that could result in impacts that are significant and unavoidable even with site-specific mitigation. The County recognizes that in these instances CDFA would be the Lead Agency on these projects and would be required to adopt a Statement of Overriding Considerations for a site-specific EIR. No further response is required.

**Response to Comment C-9:** The commenter notes that the use of significant unavoidable impacts may limit options for subsequent CEQA analysis. The Commenter notes that even if Nevada County determines that a project is eligible for a categorical exemption, CDFA will still be responsible for reviewing all documentation used to make the determination. The Commenter further notes that in order to use a categorical exemption, CDFA would need to determine that the project would not make a considerable contribution to any significant and unavoidable impact identified in the PEIR. Lastly, in these instances, CDFA recommends the County provide evidence there would be no such contribution when combined with successive projects of the same type in the same place, over time.

The County understands CDFA comment related to the use of a categorical exemption for the purpose of permitting future actions. As discussed in **Response to Comment C2, C5, C6, and C8**, and as revised specifically on pages 3-34 of *Section 1.0 Introduction*, the County permitting process would include thorough site-specific environmental review, which would fully evaluate potential impacts, and incorporate standard permitting conditions or additional mitigation measures if needed to ensure impacts remain less than significant and are not, on the basis of the individual project, significant and unavoidable. No further response is required.

**Response to Comment C-10:** The commenter notes that Impact 4.7-8 does not reflect the revised Appendix G in the 2018 CEQA Guidelines and that the impact discussion does not address the questions related to wildlife.

The Impact has been revised in the DEIR text in *Section 4.7 Hazards and Hazardous Materials* page 4.7-27, and the language “either directly or indirectly,” was added and the language, “including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands,” was deleted.

As discussed on pages 4.7-27 and 4.7-28, the DEIR discloses that the region has a generally high potential for wildland fires of devastating intensity. The DEIR provides a discussion of the agencies responsible for fire protection and discusses the California Department of Forestry and Fire Protection (CAL FIRE) severity maps, the State responsibility area (SRA) and incorporation of Fire Safe regulations. In addition, the DEIR discusses the applicable fire protection measures that would be required to be implemented and maintained including but not limited to setbacks, fire safe building codes, provision of turnarounds, use of defensible space, and for those projects in very high wildland fire hazard severity zones, the DEIR states a Fire Protection Plan (FPP), approved by the Fire Marshall and/or designee, would be required. The FPP includes safety measures such as, proximity to responders and response times, description of access points, identification of emergency water supply, evacuation plan(s), a fuel management plan, etc.

In accordance with the comment, the language of the conclusion in the DEIR text has been revised to include “directly and indirectly,” and reads in sum, “This would reduce potential impacts from exposure of people or structures, either directly or indirectly to wildfires from cannabis-related facilities to less than significant.” Conformance to all listed standards and regulations would ensure that both direct and indirect impacts to wildland fires remain less than significant. The changes to the document have been made for consistency and would not result in new impacts. No further response is required.

**Response to Comment C-11:** The commenter states that the DEIR should acknowledge that CDFA is responsible for not only licensing, but regulation and enforcement as defined in the Medicinal and Adult Use Cannabis Regulation and Safety Act (MAUCRSA) and CDFA regulations. The commenter notes the updated licensing authority as of January 16, 2019 and responsibilities of CDFA as well as the compliance requirements and measures that must be undertaken by local jurisdictions, applicants, and people and businesses in the cannabis industry in part to reduce impacts on the environment.

The County recognizes the new regulations as adopted by OAL on January 16, 2019 related to the Bureau of Cannabis Control, CalCannabis Licensing, and the Manufacturing and Safety Branch. Pages 3-3 and 3-4, of *Section 3.0 Project Description* have been revised to include a discussion of each branches as well as discussion related to the adoption of the final rules and their applicability to the proposed NCCO and further implementation of licensed commercial cannabis operations within the County. Additionally, as

applicable and appropriate other section of the FEIR have been updated with information related to CDFA rules and regulations. It should be noted that revisions in the FEIR will help clarify the roles and responsibilities of all involved parties, agencies, and the County as it relates to the permitting process of commercial cannabis cultivation and would not result in any new impacts. No further response is required.

**Response to Comment C-12:** The commenter notes that the regulatory setting sections for resources topics regulated by CDFA should describe the requirements contained in the regulations pertaining to each topic as well as the resource protections. The commenter notes that the impacts discussion should discuss the effects of implementing the State regulations that would further reduce impacts.

The County has revised Chapter 3.0 Project Description, pages 3-3 and -3-4 to include a description of the regulatory authority of CDFA and the three branches the Bureau of Cannabis Control, CalCannabis Licensing, and the Manufacturing and Safety Branch. In addition, the Project Description has been updated to include a brief discussion of the regulatory setting specifically pertaining to Aesthetics, Air Quality and Greenhouse Gas Emissions, Biological Resources, Cultural Resources, Hazards and Hazardous Materials, Hydrology and Water Quality, Noise, Utilities and Service Systems, Energy, and Cumulative Impacts. This discussion notes that in each respective section of the FEIR and the pertinent CDFA requirements from the newly adopted January 16, 2019 regulations are provided and discussed in detail.

Changes to the document have been made to help clarify the roles and responsibilities of all involved parties, agencies, and the County as it relates to the permitting process of commercial cannabis cultivation and would not result in any new impacts. No further response is required.

**Response to Comment C-13:** The commenter notes the CDFA regulations pertaining to aesthetics including requirements pertaining to artificial light. The comment is noted and the regulatory setting in Section 4.1 Aesthetics of the FEIR has been updated to include the pertinent language from CCR., tit. 3 §§ 8304(c) and (g). A discussion of the implementation of these regulations has been added to the discussion of Light and Glare -Impact 4.3-4.

The addition of the regulations to the Regulatory Setting of the FEIR as they pertain to the permitting process will ensure that the environmental impacts to aesthetics and visual resources are further reduced from those previously discussed in the DEIR. No new impacts would occur. No further response is required.

**Response to Comment C-14:** The commenter notes the CDFA regulations pertaining to air quality and greenhouse gas emissions. The comment is noted and the regulatory setting in Section 4.3 Air Quality and Greenhouse Gas Emissions of the FEIR has been updated to include the pertinent language from CCR., tit. 3 §§ 8305 and 8306 pertaining to generator use and CCR., tit. 3 §§ 8308 regarding protocols to reduce impacts to air resources including requirements to prohibit burning of cannabis waste.

The addition of the regulations to the Regulatory Setting of the FEIR as they pertain to the permitting process will ensure that the environmental impacts to air quality and greenhouse gas emissions are further reduced or would be similar to those previously discussed in the DEIR. No new impacts would occur. No further response is required.

**Response to Comment C-15:** The commenter notes the CDFA regulations pertaining to biological resources. The comment is noted and the regulatory setting in Section 4.3 Biological Resources of the

FEIR has been updated to include the pertinent language from Business and Professions Code (BPC) 26060.1(b)(1) per the CDFA requirements in Cal. Code Regs., tit 3 §8304(b) requiring compliance with CDFA requested conditions, CCR., tit. 3 §§ 8305 and 8306 pertaining to generator use and CCR., tit. 3 §§ 8308 regarding protocols to reduce impacts to air resources including requirements to prohibit burning of cannabis waste.

The addition of the regulations to the Regulatory Setting of the FEIR as they pertain to the permitting process will ensure that the environmental impacts to biological resources are further reduced or would be the same as those previously discussed in the DEIR. No new impacts would occur. No further response is required.

**Response to Comment C-16:** The commenter references CDFA regulation Cal. Code Regs., tit. 3 §8304(d). The comment is noted and the CDFA regulation has been added to the FEIR. It should be noted that existing language in the proposed NCCO and DEIR would satisfy this requirement.

The addition of the regulations to the Regulatory Setting of the FEIR as they pertain to the permitting process will ensure that the environmental impacts to cultural resources are further reduced or would be the same as those previously discussed in the DEIR. No new impacts would occur. No further response is required.

**Response to Comment C-17:** The commenter references CDFA regulations Cal. Code Regs., tit. §8307(a), §8106(a)(3), §8307, §8102(q), §8307(b) and well as others that are discussed in *Sections 4.4 Biological Resources Response to Comment B-15*, above, and *4.8 Hydrology and Water Quality* and discussed in **Response to Comment C-18**, below. The comment is noted and the CDFA regulations have been added to *Section 4.7 Hazards and Hazardous Materials* of the FEIR and discussion and added to the pertinent impacts discussions. The addition of the regulations and discussion in the FEIR will ensure that the environmental impacts associated with hazards and hazardous materials are further reduced or would be same as those previously discussed in the DEIR. No new impacts would occur. No further response is required.

**Response to Comment C-18:** The commenter references CDFA regulation Cal. Code Regs., tit. § 8102(p), which has been added to the discussion in Section 4.8 Hydrology and Water Quality. This section of the regulation has been included to FEIR in the regulatory section and impacts discussion. Conformance with this regulation will ensure that the environmental impacts to hydrology and water are further reduced or would be the same as those previously discussed in the DEIR. No new impacts would occur.

The commenter references CDFA regulation Cal. Code Regs., tit. § 8102(v) and § 8107(b), which have been added to the discussion in *Section 4.16 Utilities and Service Systems*. These sections of the regulation have been included to FEIR in the regulatory section and impacts discussion. Conformance with these regulations will ensure that the environmental impacts to water supply and utilities are further reduced or would be the same as those previously discussed in the DEIR. No new impacts would occur.

The commenter references CDFA regulation Cal. Code Regs., tit. § 8304(a), which has been added to the discussion in *Section 4.4 Biological Resources*. This section of the regulation has been included to FEIR in the regulatory section and impacts discussion. Conformance with this regulation will ensure that the environmental impacts on biological resources are further reduced or would be the same as those previously discussed in the DEIR. No new impacts would occur. No further response is required.

The commenter references CDFA regulation Cal. Code Regs., tit. § 8216 regarding - License Issuance in an Impacted Watershed. This section of Code states, “If the State Water Resources Control Board or the Department of Fish and Wildlife finds, based on substantial evidence, notifies the department in writing that cannabis cultivation is causing significant adverse impacts on the environment in a watershed or other geographic area, pursuant to section 26069, subdivision (c)(1), of the Business and Professions Code, the department shall not issue new licenses or increase the total number of plant identifiers within that watershed or area while the moratorium is in effect.”

The County recognizes that the SWRCB and CDFW retain the right that if cannabis cultivation is causing significant adverse impacts on the environment in a watershed or other geographic area, the issuance of cultivation permits in that area may be ceased. The County recognizes that this could be a potential outcome if the environmental effects of cultivation permits issued under the proposed NCCO are resulting in significant impacts. The County also understands that use of the authority in this regulation provides a vehicle for SWRCB and CDFW to further minimize the potential for environmental degradation. This comment is noted. No changes to the FEIR were required. No further response is required.

**Response to Comment C-19:** The commenter references CDFA regulation Cal. Code Regs., tit. §8306 regarding – Generator Requirements, which has been added to the discussion in *Section 4.11 Noise*. This section of the regulation has been included to FEIR in the regulatory section and impacts discussion. Conformance with this regulation will ensure that the environmental impacts associated with noise would be further reduced or would be the same as those previously discussed in the DEIR. No new impacts would occur. No further response is required.

**Response to Comment C-20:** The commenter references CDFA Regulation Cal. Code Regs., tit. § 8102(v) and §8107(b) regarding water use. These requirements have been included in Section 4.16 Utilities and Service Systems, and the commenter is referred to **Response to Comment C-18**.

The commenter references CDFA Cal. Code Reg., tit. §§8108, 8308, in regard to solid waste management. These sections of the regulations have been included to FEIR in the regulatory section and impacts discussion. Conformance with these regulations will ensure that the environmental impacts associated with waste management would be further reduced or would be the same as those previously discussed in the DEIR. No new impacts would occur. No further response is required.

**Response to Comment C-21:** The commenter references CDFA regulation Cal. Code Regs., tit. § 8102(s) and 8305 regarding power sources and energy use, which has been added to the discussion in *Section 4.17 Energy*. Conformance with these regulations will help ensure that environmental impacts associated with use of non-renewable energy would be reduced and lessen overall carbon emissions. The addition of and conformance with these regulations would not result new impacts. No further response is required.

**Response to Comment C-22:** The commenter references Cumulative Impacts and notes to see the above for individual topics. The commenter is referred to **Response to Comment C-12** through **C-21**. The listed regulations have been updated to and discussed in the respective sections of the FEIR. By the nature of these additions to the respective sections, any resulting changes to impacts have been folded into the discussion of cumulative impacts. Conformance with the listed regulations could result in a lessening of some impacts due to the additional review and compliance requirements, so just as the impacts to the individual resources areas would be reduced or the same as previously discussed in the DEIR, so too would

the cumulative impacts be reduced or remain the same. While no new impacts would occur, the level of impact (less than significant, significant, significant with mitigation, or significant and unavoidable) has not been revised. No further response is required.

**Response to Comment C-23:** The comment is noted. The County agrees that the Medical Cannabis Regulation and Safety Act (MCRSA) and Adult Use of Marijuana Act (AUMA) are used within the document. In section 3.0 Project Description they are discussed in terms of the history of cannabis regulation and are called out as no longer having regulatory or controlling authority. These references have not been changed as they provide the reader with background as to the origin of the current Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA).

The AUMA and MMRSA were mentioned on page 4.9-2 of *Section 4.9 Land Use* in context of their repeal and use to create the MAUCRSA. The text has been revised to clarify neither are currently controlling legislation. The language stating the MAUCRSA is the foundation of cannabis law in California was not changed.

The AUMA and MMRSA were discussed on page 5-1 of *Section 5.0 Other CEQA Sections* in context of the growth that was anticipated to occur under their past guidance. The text has been revised to clarify that neither are currently controlling legislation. Language adding discussion that the MAUCRSA is the current controlling legislation was added.

All other sections of the EIR have been searched for the references to, "Adult Use Marijuana Act," "AUMA," "Medical Cannabis Regulation Safety Act," "MCRSA," and no other incidents were found.

As a result of this comment, minor revisions to the text of the EIR were made. None of the changes result in any additional impacts. No further response is required.

**Response to Comment C-24:** The commenter notes that in addition to the above general comments, there are a series of specific comments. The first comment is that the website link should be provided. *Section 1.0 Introduction* has been revised to include the website link to the location of the FEIR. No further response is required.

**Response to Comment C-25:** The commenter notes that in *Section 2.0 Executive Summary* the significant and unavoidable impact discussion does not include Transportation and Traffic. The commenter is correct that a significant and unavoidable impact for transportation and traffic was identified in *Section 4.15 Transportation and Traffic*. This section has been revised to include the previously identified significant and unavoidable impact in the summary. This change to the document has been made for consistency does not identify a previously undisclosed impact.

The commenter also notes that the significance findings for light and glare are unclear and references a comment addressed in **Response to Comment C 26, and C- 29**, below. No further response is required.

**Response to Comment C-26:** The commenter notes that information for level of significance of light and glare impacts for light and glare is not consistent with the text. The inconsistency in the table has been revised to match the disclosure of significant and unavoidable in the text of the EIR. No further response is required.

**Response to Comment C-27:** The commenter requests that the “State Regulatory Section,” in *Section 3.0 Project Description* be revised to explain the CDFA regulations that implement the MAUCRSA with respect to regulation, licensure, and enforcement of cannabis cultivation activities. The commenter is referred to **Response to Comment C-3, C-5, and C-6**, and pages 3-3, 3-4, 3-19, 3-35, and 3-36 of Chapter 3.0 Project Description for updates to the text that explain the relationship of the CDFA regulations and three branches related to enforcement. No further response is required.

**Response to Comment C-28:** The commenter requests that regulatory section of Section 4.1 Aesthetics be revised to describe the state laws related to aesthetics (e.g. California Scenic Highway Program) as well as applicable CDFA regulations.

The Commenter is referred to Response to Comment C13, above. Page 4.1-15 in the section has been revised to include CDFA regulations as well as State regulations pertaining to the California Scenic Highway Program. The changes to the document have been made for consistency and would not result in new impacts. No further response is required.

**Response to Comment C-29:** The commenter requested clarification related to the impacts discussion for light and glare on page 4.1-29 in Section 4.1 Aesthetics. The commenter noted that the listed level of significance appeared to conflict. Page 4.1-30 was revised to include a brief discussion of the difference the EIR drew between artificial light used for cultivation and the increased exterior lighting that would be used around structures and for security purposes. It is expected that lighting impacts specifically for mixed-light cultivation would be reduced through implementation of Mitigation Measures AES-2 and conformance to CDFA requirements in regulation CCR § 8304(g). However, overall impacts, as previously disclosed, would be significant and unavoidable due to the use of outdoor lighting and potential for spill and glow to be observed from off-site areas. The changes to the document have been made for consistency and would not result in new impacts. No further response is required.

**Response to Comment C-30:** The commenter notes that in *Section 4.8 Hydrology and Water Quality*, the acronym for the Central Valley Regional Water Quality Control Board is incorrectly listed as “CBRQCB.” The commenter also notes that all cultivators should apply to the State Water Resources Control Board after January 1, 2019.

The comment is noted and the acronym for the Central Valley Regional Water Quality Control Board has been changed to “Central Valley RWQCB,” on page 4.8-33 to be consistent with the other references in the section.

In addition, the text of the commenter notes that the EIR should state that following July 1, 2019 all cultivators should apply to the SWRCB not the Central Valley RWQCB. The comment is noted. Page 4.8-17, 4.8-18, 4.8-33, and 4.8-38, reflects this date, and change in application process to the Statewide permit under the SWRCB. In addition, pages 4.8-37-39, have been revised to include the appropriate acronym “SWRCB” to reflect the authority for issuance of permits. The changes to the document have been made for consistency and would not result in new impacts. No further response is required.

**Response to Comment C-31:** The commenter notes that the text, “The overall project contribution to significant cumulative impacts to special status plans, would be cumulatively considerable and significant and unavoidable when considered over the unincorporated area of the County,” is unnecessarily repeated

and requests a clarification on the significance of cumulative impacts to wetlands and water of the United States and on resident and migratory wildlife corridors.

The comment is noted and the text on pages 5-6 and 5-7 of *Section 5.0 Other CEQA Sections* has been revised to discuss impacts from vegetation removal, and conversion of wetland habitat, riparian habitat, old-growth habitat, waters of the United States, and resident or migratory wildlife. The changes to the document have been made for consistency and would not result in new impacts not previously disclosed. No further response is required.

**Response to Comment C-32:** The commenter notes that pages 5-13 and 5-14 of *Section 5.0 Other CEQA Sections* lists the significant and unavoidable impacts but omitted impacts to aesthetics, energy, land use and planning, and transportation and traffic. Pages 5-13 and 5-14 of that section have been updated to include these impacts that were disclosed in the body of the EIR but were absent from this summary section. The changes to the document have been made for consistency and would not result in new impacts not previously disclosed. No further response is required.

**Response to Comment C-33:** The commenter notes that the summary impacts related to Aesthetics is unclear and different than previously disclosed in the body of the EIR and Executive Summary. The commenter is correct that and language reflecting the impact to light and glare has been revised as significant and unavoidable. This change to the document has been made for consistency and would not result in new impacts not previously disclosed. No further response is required.

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION**

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02/5/2019

TO: Brian Foss  
 Nevada County Planning Department  
 950 Maidu Avenue  
 Nevada City, CA 95959

RE: Draft EIR for Nevada County Commercial Cannabis Cultivation Ordinance Project, ORD18-2, EIR18-0001, SCH#2018082023

The CAL FIRE Nevada Yuba Placer Unit (NEU) provided public comment to the Draft EIR in September 2018. The focus of our response was to ensure the California Forest Practice Act and Rules (FPA) would be followed if an applicant of Cannabis Cultivation Permit (CCP) or Administrative Development Permit (ADP) was to conduct "Timber Operations" per the Public Resource Code (PRC) 4527. The discussion on page 4.2-23 second to last paragraph pertaining to commercial timber operations is incorrect and should be revised to correctly disclose when a Licensed Timber Operator (LTO) and timber harvest document are required. Please refer to Public Resources Code (PRC) 4527 (a) & (b) Timber operations; commercial purposes; criteria. The code section in conflict with the EIR is PRC 4527 (a)(2)(B). The commercial criteria for timber operations in the case of conversion are independent of the sale, barter, exchange, or trade of material. The act of cutting or removing trees during the conversion of timberland is sufficient to meet the criteria of commercial timber operations. To conduct commercial timber operations a timber harvest document (PRC 4581) and LTO (PRC 4571) are always required.

D-1

CAL FIRE has many types of timber harvest documents available to private timberland owners. The discussion on page 4.2-23 last paragraph informs an applicant who is harvesting timber with commercial purposes to file a Less-Than-3-Acre Conversion Exemption or if greater than three acres file a Timber Harvest Plan. This paragraph should be revised to follow the California Forest Practice Act and Rules (FPA) by instructing any applicant who is conducting timber operations per PRC 4527 to file a timber harvest document. Additionally, if the conversion of timberland is larger than 3 acres in size the timberland owner must file a Timber Harvest Plan (THP) accompanied with a Timberland Conversion Plan (TCP).

D-2

The Draft EIR states all applicants for either a CCP or Administrative ADP complies with local requirements and obtains permits from CAL FIRE. It is proposed that the Building Department or Planning Department will verify conformance of the permits by conducting an initial review to ensure no conflict or zoning issues for forest land, timberland or timberland zoned timberland production. With timberland (defined on page 4.2-4) being a condition of the land, not a zoning application/regulation and there being no map depicting where timberland is/isn't it may not be feasible for the county departments to verify conformance of timberland. Therefore, it is recommended when the county departments review a CCP or ADP they consult with a Registered Professional Forester (RPF) to ensure no conflict/issue will be performed on land defined as timberland.

D-3

Lastly, on page 4.2-23 mitigation measure AG-2 is offered to ensure project applicants conform to the Forest Practice Act and Rules of the Board. As currently written it is not clear if AG-2 is required or when it will be implemented. With the rules and laws being so complex within meeting the intent of the FPA it is CAL FIRE's recommendation that mitigation measure AG-2 be a requirement for any CCP and ADP applications cutting or removing trees within Timberland (PRC 4526). To further help ensure that project applicants are aware of Forest Practice Act and Rules of the Board it is recommended applicants are notified of the FPA requirements when they apply for a CCP or ADP application. A form or checklist could be included in the application package.

D-4

**4526. Timberland.** "Timberland" means land, other than land owned by the federal government and land designated by the board as experimental forest land, which is available for, and capable of, growing a crop of trees of a commercial species used to produce lumber and other forest products, including Christmas trees. Commercial species shall be determined by the board on a district basis.

**4527. Timber operations; commercial purposes; criteria.**

**(a)** **(1)** "Timber operations" means the cutting or removal, or both, of timber or other solid wood forest products, including Christmas trees, from timberlands for commercial purposes, together with all the incidental work, including, but not limited to, construction and maintenance of roads, fuel breaks, firebreaks, stream crossings, landings, skid trails, and beds for the falling of trees, fire hazard abatement, and site preparation that involves disturbance of soil or burning of vegetation following timber harvesting activities, but excluding preparatory work such as tree marking, surveying, or road flagging.

**(2)** "Commercial purposes" includes (A) the cutting or removal of trees that are processed into logs, lumber, or other wood products and offered for sale, barter, exchange, or trade, or **(B) the cutting or removal of trees or other forest products during the conversion of timberlands to land uses other than the growing of timber that are subject to the provisions of Section 4621, including, but not limited to, residential or commercial developments, production of other agricultural crops, recreational developments, ski developments, water development projects, and transportation projects.**

**(b)** For purposes of this section, the removal of trees less than 16 inches in diameter at breast height from a firebreak or fuelbreak does not constitute "timber operations" if the removal meets all of the following criteria:

**(1)** It is located within 500 feet of the boundary of an urban wild land interface community at high risk of wildfire, as defined in pages 751 to 776, inclusive of Volume 66 of the Federal Register (66 FR 751-02), as that definition may be amended from time to time. For purposes of this paragraph, "urban wildland interface community at high risk of wildfire" means an area having one or more structures for every five acres.

**(2)** It is part of a community wildfire protection plan approved by the department or part of a department fire plan.

**(3)** The trees to be removed will not be processed into logs or lumber.

**(4)** The work to be conducted is under a firebreak or fuelbreak project that has been subject to a project-based review pursuant to a negative declaration, mitigated negative declaration, or environmental impact report in compliance with the California Environmental Quality Act (Division 13 (commencing with Section 21000)). For projects to be conducted on forested landscapes, as defined in Section 754, the project and the project-based review shall be prepared by or in consultation with a registered professional forester.

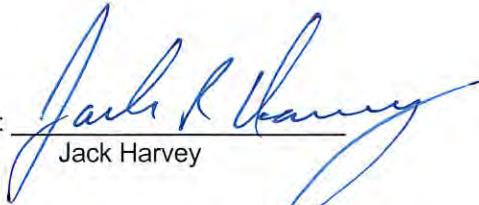
**(5)** The removal of surface and ladder fuels is consistent with paragraph (9) of subdivision (k) of Section 4584.

If you require further clarification, please contact Forester Jack Harvey at 530-265-4589 ext 104.

D-4  
cont'd

Brian Estes  
Unit Chief  
Nevada-Yuba-Placer Unit  
13760 Lincoln Way  
Auburn, CA 95603

BY:

  
Jack Harvey

Attachment(s): CAL FIREs 1<sup>st</sup> letter of public comment dated 09/04/2018

CC:

  x   Region/Area Office;   x   Unit

## **Response to Comment Letter D - California Department of Forestry and Fire Protection (CAL FIRE)**

**Response to Comment D-1:** The commenter discusses the California Forest Practices Act and Rules (FPA) in regard to timber operations if an applicant for a Cannabis Cultivation Permit (CCP) or Administrative Development Permit (ADP) conducted timber operations per Public Resources Code 4527. The commenter notes that the discussion on page 4.2-23 of the DEIR incorrectly discusses timber operations and should be revised to explain when a Licensed Timber Operator (LTO) and timber harvest document are required. The commenter refers to PRC 4527(a) and (b) noting they are in conflict with the EIR. The commenter notes that PRC 4581 and LTO (PRC 4571) are always required and that commercial criteria are independent of the sale, barter, exchange, or trade, and the act of cutting or removing trees during the conversion is sufficient to meet the criteria of commercial timber operations.

The commenter is noted and the language in the noted paragraph has been revised to reflect the correction in the comment. The revision to the EIR would not result in any impacts beyond those already disclosed. No further response is necessary.

**Response to Comment D-2:** The commenter requested clarification on the second to last paragraph on page 4.2-23 of *Section 4.2 Agriculture and Forest Resources*.

The text of the page indicated by the commenter has been revised to discuss the requirements of the California Forest Practices Act and include the need for a Timber Harvest Plan (THP) and Timber Conversion Plan (TCP). The revision to the EIR would not result in any impacts beyond those already disclosed. No further response is necessary.

**Response to Comment D-3:** The FEIR has been revised to include clarity on the screening process and require, if any timber is removed on a project site, that a RPF evaluate the project site and develop the appropriate plan (TCP, or THP).

**Response to Comment D-4:** The reference to Mitigation Measures AG-2 was inadvertently left in the paragraph indicated by the commenter. The reference has been removed in the FEIR; and has been revised to include language, as discussed in **Response to Comment D-3**, that would require review individual project to be reviewed by County staff to screen for removal of timber resources and require proper permitting, if needed. In addition, the County would require, in accordance with Section L-II 4.3.14 Timber Resources, Important – of the County Municipal Code, which includes the preparation of a management plan should certain thresholds be met.

The County also notes that the commenter recommends a form or checklist could be added to the application process. The County has added a project checklist for projects under both an ADP and CCP. The Draft Checklists have been attached as Attachment B. It is intended that the Checklists will change overtime to conform evolving regulations and requirements and to so that the Checklists can be improved as the County moves through the permitting process.

**DEPARTMENT OF FORESTRY AND FIRE PROTECTION**

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9/4/2018

TO: Brian Foss  
 Nevada County Planning Department  
 950 Maidu Avenue  
 Nevada City, CA 95959

RE: Cannabis Ordinance Zoning Text Amendment ORD18-2, EIR18-0001

This cannabis ordinance zoning amendment may require timberland owners to file a Timberland Conversion and Timber Harvest Plan as per the following:

California Code of Regulations, per 1103, and Public Resource Code 4581 requires a Timberland Conversion Permit and/or Timber Harvest Plan be filed with the California Department of Forestry and Fire Protection if the project involves the removal of a crop trees of commercial species (regardless of size of trees, county zoning, or if the trees are commercialized).

If the property already has a current timber harvest plan or non-industrial timber harvest plan the document may need to be withdrawn or revised to account for any proposed Timberland Conversion.

A Timberland Conversion Permit and Timber Harvest Plan shall address the following:

1. A. The decrease in timber base in the county as a result of the project.  
 B. The cover type, including commercial species, density, age, and size composition affected by the project.  
 C. The ground slopes and aspects of the area affected by the project.  
 D. The soil types affected by the project.  
 E. Any significant problems that may affect the conversion.
2. Significant on-site and off-site cumulative effects on:
  - A. Watershed Resources
  - B. Soil Productivity
  - C. Biological Resources
  - D. Recreational Resources
  - E. Visual Resources
  - F. Vehicle Traffic Impacts
  - G. Cultural Resources- preservation of significant pre-historic and historic archaeological sites.

There will be other requirements related to California Public Resource Code 4290 and 4291 that will be determined when plans are submitted to Nevada County.

If you require further clarification, please contact Forester Jack Harvey at 530-265-4589 ext 104.

GEORGE MORRIS III  
 Unit Chief  
 Nevada-Yuba-Placer Unit  
 13760 Lincoln Way  
 Auburn, CA 95603

E-1

*Jack R Harvey*

BY: \_\_\_\_\_  
Jack Harvey

Attachment(s): None

CC:  
  x   Region/Area Office;   x   Unit

## **Response to Comment Letter E - California Department of Forestry and Fire Protection (CAL FIRE)**

**Response to Comment E-1:** The comment refers to CALFIRE comment on the NOP and is in reference to the California Forest Practices Act and Rules (FPA) and its application to the proposed project. The comment refers to discussion in the EIR on Page 4.2-23 and requests a revision to disclose when a Licensed Timber Operator (LTO) and timber harvest documents are required. The commenter is referred to **Response to Comment D-2 and D-3**.



## Central Valley Regional Water Quality Control Board

5 February 2019

Brian Foss  
County of Nevada  
Community Development Agency  
950 Maidu Avenue, Suite 170  
Nevada City, CA 95959

**CERTIFIED MAIL**  
7018 1830 0001 0062 3992

### COMMENTS TO REQUEST FOR REVIEW FOR THE NOTICE OF SPECIAL PUBLIC HEARING, PLN18-0077 AND EIR18-0001 PROJECT, NEVADA COUNTY

Pursuant to the County of Nevada Community Development Agency's 25 January 2019 request, the Central Valley Regional Water Quality Control Board (Central Valley Water Board) has reviewed the *Request for Review for the Notice of Special Public Hearing* for the PLN18-0077 and EIR18-0001 Project, located in Nevada County.

Our agency is delegated with the responsibility of protecting the quality of surface and groundwaters of the state; therefore our comments will address concerns surrounding those issues.

#### I. Regulatory Setting

##### Basin Plan

The Central Valley Water Board is required to formulate and adopt Basin Plans for all areas within the Central Valley region under Section 13240 of the Porter-Cologne Water Quality Control Act. Each Basin Plan must contain water quality objectives to ensure the reasonable protection of beneficial uses, as well as a program of implementation for achieving water quality objectives with the Basin Plans. Federal regulations require each state to adopt water quality standards to protect the public health or welfare, enhance the quality of water and serve the purposes of the Clean Water Act. In California, the beneficial uses, water quality objectives, and the Antidegradation Policy are the State's water quality standards. Water quality standards are also contained in the National Toxics Rule, 40 CFR Section 131.36, and the California Toxics Rule, 40 CFR Section 131.38.

The Basin Plan is subject to modification as necessary, considering applicable laws, policies, technologies, water quality conditions and priorities. The original Basin Plans were adopted in 1975, and have been updated and revised periodically as required, using Basin Plan amendments. Once the Central Valley Water Board has adopted a Basin Plan amendment in noticed public hearings, it must be approved by the State Water Resources Control Board (State Water Board), Office of Administrative Law (OAL) and in some cases,

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the United States Environmental Protection Agency (USEPA). Basin Plan amendments only become effective after they have been approved by the OAL and in some cases, the USEPA. Every three (3) years, a review of the Basin Plan is completed that assesses the appropriateness of existing standards and evaluates and prioritizes Basin Planning issues.

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For more information on the *Water Quality Control Plan for the Sacramento and San Joaquin River Basins*, please visit our website:  
[http://www.waterboards.ca.gov/centralvalley/water\\_issues/basin\\_plans/](http://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/)

### **Antidegradation Considerations**

All wastewater discharges must comply with the Antidegradation Policy (State Water Board Resolution 68-16) and the Antidegradation Implementation Policy contained in the Basin Plan. The Antidegradation Implementation Policy is available on page 74 at:  
[https://www.waterboards.ca.gov/centralvalley/water\\_issues/basin\\_plans/sacsjr\\_201805.pdf](https://www.waterboards.ca.gov/centralvalley/water_issues/basin_plans/sacsjr_201805.pdf)

In part it states:

*Any discharge of waste to high quality waters must apply best practicable treatment or control not only to prevent a condition of pollution or nuisance from occurring, but also to maintain the highest water quality possible consistent with the maximum benefit to the people of the State.*

*This information must be presented as an analysis of the impacts and potential impacts of the discharge on water quality, as measured by background concentrations and applicable water quality objectives.*

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The antidegradation analysis is a mandatory element in the National Pollutant Discharge Elimination System and land discharge Waste Discharge Requirements (WDRs) permitting processes. The environmental review document should evaluate potential impacts to both surface and groundwater quality.

## **II. Permitting Requirements**

### **Cannabis General Order**

Cannabis cultivation operations are required to obtain coverage under the State Water Resources Control Board's *General Waste Discharge Requirements and Waiver of Waste Discharge Requirements for Discharges of Waste Associated with Cannabis Cultivation Activities Order No. WQ 2017-0023-DWQ* (the Cannabis General Order). Cultivators that divert and store surface water (stream, lake, subterranean stream, etc.) to irrigate cannabis also need a valid water right.

The Water Boards Cannabis Cultivation Programs offer an easy to use online Portal for cultivators to apply for both Cannabis General Order coverage and a Cannabis Small Irrigation Use Registration (SIUR) water right, if needed.

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Visit the Water Boards Cannabis Cultivation Programs Portal at:  
<https://public2.waterboards.ca.gov/CGO>

Additional information about the Cannabis General Order, Cannabis SIUR Program, and Portal can be found at: [www.waterboards.ca.gov/cannabis](http://www.waterboards.ca.gov/cannabis)

For questions about the Cannabis General Order, please contact the Central Valley Water Board's Cannabis Permitting and Compliance Unit at:  
[centralvalleysacramento@waterboards.ca.gov](mailto:centralvalleysacramento@waterboards.ca.gov) or (916) 464-3291.

For questions about Water Rights (Cannabis SIUR), please contact the State Water Board's Division of Water Rights at: [CannabisReg@waterboards.ca.gov](mailto:CannabisReg@waterboards.ca.gov) or (916) 319-9427.

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#### **Construction Storm Water General Permit**

Dischargers whose project disturb one or more acres of soil or where projects disturb less than one acre but are part of a larger common plan of development that in total disturbs one or more acres, are required to obtain coverage under the General Permit for Storm Water Discharges Associated with Construction Activities (Construction General Permit), Construction General Permit Order No. 2009-009-DWQ. Construction activity subject to this permit includes clearing, grading, grubbing, disturbances to the ground, such as stockpiling, or excavation, but does not include regular maintenance activities performed to restore the original line, grade, or capacity of the facility. The Construction General Permit requires the development and implementation of a Storm Water Pollution Prevention Plan (SWPPP).

For more information on the Construction General Permit, visit the State Water Resources Control Board website at:  
[http://www.waterboards.ca.gov/water\\_issues/programs/stormwater/constpermits.shtml](http://www.waterboards.ca.gov/water_issues/programs/stormwater/constpermits.shtml)

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#### **Phase I and II Municipal Separate Storm Sewer System (MS4) Permits<sup>1</sup>**

The Phase I and II MS4 permits require the Permittees reduce pollutants and runoff flows from new development and redevelopment using Best Management Practices (BMPs) to the maximum extent practicable (MEP). MS4 Permittees have their own development standards, also known as Low Impact Development (LID)/post-construction standards that include a hydromodification component. The MS4 permits also require specific design concepts for LID/post-construction BMPs in the early stages of a project during the entitlement and CEQA process and the development plan review process.

For more information on which Phase I MS4 Permit this project applies to, visit the Central Valley Water Board website at:  
[http://www.waterboards.ca.gov/centralvalley/water\\_issues/storm\\_water/municipal\\_permits/](http://www.waterboards.ca.gov/centralvalley/water_issues/storm_water/municipal_permits/)

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<sup>1</sup> Municipal Permits = The Phase I Municipal Separate Storm Water System (MS4) Permit covers medium sized Municipalities (serving between 100,000 and 250,000 people) and large sized municipalities (serving over 250,000 people). The Phase II MS4 provides coverage for small municipalities, including non-traditional Small MS4s, which include military bases, public campuses, prisons and hospitals.

For more information on the Phase II MS4 permit and who it applies to, visit the State Water Resources Control Board at:  
[http://www.waterboards.ca.gov/water\\_issues/programs/stormwater/phase\\_ii\\_municipal.shtml](http://www.waterboards.ca.gov/water_issues/programs/stormwater/phase_ii_municipal.shtml)

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#### **Industrial Storm Water General Permit**

Storm water discharges associated with industrial sites must comply with the regulations contained in the Industrial Storm Water General Permit Order No. 2014-0057-DWQ.

For more information on the Industrial Storm Water General Permit, visit the Central Valley Water Board website at:

[http://www.waterboards.ca.gov/centralvalley/water\\_issues/storm\\_water/industrial\\_general\\_permits/index.shtml](http://www.waterboards.ca.gov/centralvalley/water_issues/storm_water/industrial_general_permits/index.shtml)

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#### **Clean Water Act Section 404 Permit**

If the project will involve the discharge of dredged or fill material in navigable waters or wetlands, a permit pursuant to Section 404 of the Clean Water Act may be needed from the United States Army Corps of Engineers (USACE). If a Section 404 permit is required by the USACE, the Central Valley Water Board will review the permit application to ensure that discharge will not violate water quality standards. If the project requires surface water drainage realignment, the applicant is advised to contact the Department of Fish and Game for information on Streambed Alteration Permit requirements.

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If you have any questions regarding the Clean Water Act Section 404 permits, please contact the Regulatory Division of the Sacramento District of USACE at (916) 557-5250.

#### **Clean Water Act Section 401 Permit – Water Quality Certification**

If an USACE permit (e.g., Non-Reporting Nationwide Permit, Nationwide Permit, Letter of Permission, Individual Permit, Regional General Permit, Programmatic General Permit), or any other federal permit (e.g., Section 10 of the Rivers and Harbors Act or Section 9 from the United States Coast Guard), is required for this project due to the disturbance of waters of the United States (such as streams and wetlands), then a Water Quality Certification must be obtained from the Central Valley Water Board prior to initiation of project activities. There are no waivers for 401 Water Quality Certifications.

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For more information on the Water Quality Certification, visit the Central Valley Water Board website at:

[http://www.waterboards.ca.gov/centralvalley/water\\_issues/water\\_quality\\_certification/](http://www.waterboards.ca.gov/centralvalley/water_issues/water_quality_certification/)

#### **Waste Discharge Requirements – Discharges to Waters of the State**

If USACE determines that only non-jurisdictional waters of the State (i.e., “non-federal” waters of the State) are present in the proposed project area, the proposed project may require a Waste Discharge Requirement (WDR) permit to be issued by Central Valley Water Board. Under the California Porter-Cologne Water Quality Control Act, discharges to

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all waters of the State, including all wetlands and other waters of the State including, but not limited to, isolated wetlands, are subject to State regulation.

For more information on the Waste Discharges to Surface Water NPDES Program and WDR processes, visit the Central Valley Water Board website at:  
[https://www.waterboards.ca.gov/centralvalley/water\\_issues/waste\\_to\\_surface\\_water/](https://www.waterboards.ca.gov/centralvalley/water_issues/waste_to_surface_water/)

#### **Dewatering Permit**

If the proposed project includes construction or groundwater dewatering to be discharged to land, the proponent may apply for coverage under State Water Board General Water Quality Order (Low Risk General Order) 2003-0003 or the Central Valley Water Board's Waiver of Report of Waste Discharge and Waste Discharge Requirements (Low Risk Waiver) R5-2013-0145. Small temporary construction dewatering projects are projects that discharge groundwater to land from excavation activities or dewatering of underground utility vaults. Dischargers seeking coverage under the General Order or Waiver must file a Notice of Intent with the Central Valley Water Board prior to beginning discharge.

For more information regarding the Low Risk General Order and the application process, visit the Central Valley Water Board website at:  
[http://www.waterboards.ca.gov/board\\_decisions/adopted\\_orders/water\\_quality/2003/wqo/wqo2003-0003.pdf](http://www.waterboards.ca.gov/board_decisions/adopted_orders/water_quality/2003/wqo/wqo2003-0003.pdf)

For more information regarding the Low Risk Waiver and the application process, visit the Central Valley Water Board website at:  
[http://www.waterboards.ca.gov/centralvalley/board\\_decisions/adopted\\_orders/waivers/r5-2013-0145\\_res.pdf](http://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/waivers/r5-2013-0145_res.pdf)

#### **Regulatory Compliance for Commercially Irrigated Agriculture**

If the property will be used for commercial irrigated agricultural, the discharger will be required to obtain regulatory coverage under the Irrigated Lands Regulatory Program. There are two options to comply:

1. **Obtain Coverage Under a Coalition Group.** Join the local Coalition Group that supports land owners with the implementation of the Irrigated Lands Regulatory Program. The Coalition Group conducts water quality monitoring and reporting to the Central Valley Water Board on behalf of its growers. The Coalition Groups charge an annual membership fee, which varies by Coalition Group. To find the Coalition Group in your area, visit the Central Valley Water Board's website at: [https://www.waterboards.ca.gov/centralvalley/water\\_issues/irrigated\\_lands/regulatory\\_information/for\\_growers/coalition\\_groups/](https://www.waterboards.ca.gov/centralvalley/water_issues/irrigated_lands/regulatory_information/for_growers/coalition_groups/) or contact water board staff at (916) 464-4611 or via email at [IrrLands@waterboards.ca.gov](mailto:IrrLands@waterboards.ca.gov).
2. **Obtain Coverage Under the General Waste Discharge Requirements for Individual Growers, General Order R5-2013-0100.** Dischargers not participating in a third-party group (Coalition) are regulated individually. Depending on the specific site conditions, growers may be required to monitor runoff from their property, install monitoring wells, and submit a notice of intent, farm plan, and other

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action plans regarding their actions to comply with their General Order. Yearly costs would include State administrative fees (for example, annual fees for farm sizes from 11-100 acres are currently \$1,277 + \$8.53/Acre); the cost to prepare annual monitoring reports; and water quality monitoring costs. To enroll as an Individual Discharger under the Irrigated Lands Regulatory Program, call the Central Valley Water Board phone line at (916) 464-4611 or e-mail board staff at IrrLands@waterboards.ca.gov.

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#### **Limited Threat General NPDES Permit**

If the proposed project includes construction dewatering and it is necessary to discharge the groundwater to waters of the United States, the proposed project will require coverage under a National Pollutant Discharge Elimination System (NPDES) permit. Dewatering discharges are typically considered a low or limited threat to water quality and may be covered under the General Order for *Limited Threat Discharges to Surface Water* (Limited Threat General Order). A complete Notice of Intent must be submitted to the Central Valley Water Board to obtain coverage under the Limited Threat General Order.

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For more information regarding the Limited Threat General Order and the application process, visit the Central Valley Water Board website at:

[https://www.waterboards.ca.gov/centralvalley/board\\_decisions/adopted\\_orders/general\\_orders/r5-2016-0076-01.pdf](https://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/general_orders/r5-2016-0076-01.pdf)

#### **NPDES Permit**

If the proposed project discharges waste that could affect the quality of surface waters of the State, other than into a community sewer system, the proposed project will require coverage under a National Pollutant Discharge Elimination System (NPDES) permit. A complete Report of Waste Discharge must be submitted with the Central Valley Water Board to obtain a NPDES Permit.

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For more information regarding the NPDES Permit and the application process, visit the Central Valley Water Board website at:

<https://www.waterboards.ca.gov/centralvalley/help/permit/>

If you have questions regarding these comments, please contact me at (916) 464-4812 or Jordan.Hensley@waterboards.ca.gov.



Jordan Hensley  
Environmental Scientist

## **Response to Comment Letter F - Central Valley Regional Water Quality Control Board (CVRWQCB)**

**Response to Comment F-1:** The commenter provides introductory remarks about the California Central Valley Regional Water Quality Control Board (CVRWQCB) and notes the agency is tasked with protecting surface and groundwater quality. The commenter provides a detailed summary of the Basin Plans that CVRWQCB has formulated and adopted for areas within the basin. The commenter notes that federal law requires states to adopt water quality standards in conformance with the Clean Water Act (CWA) and in California special consideration is given to beneficial uses. Basin plans can be amended as approved by the SWRCB and are reviewed every three years. This comment is introductory, and no environmental issues or concerns were raised. It should be noted the basin plan(s) are referenced throughout *Section 4.8 Hydrology and Water Quality* and discussed in detail in the State Regulatory setting portion of the Section. However, *Section 4.8 Hydrology and Water Quality* has been revised to include more background information on the Basin Plan. No further response is necessary.

**Response to Comment F-2:** The commenter notes that all wastewater discharges must comply with the Antidegradation Policy (State Water Board Resolution 68-16) and the Antidegradation Implementation Policy contained in the Basin Plan. The commenter quotes a portion of the policy and in closing states the antidegradation analysis is a mandatory element of the National Pollution Discharge Elimination System (NDPES) and the EIR should evaluate impacts to surface and groundwater. *Section 4.8 Hydrology and Water Quality* has been revised to include information regarding the antidegradation policy for both the CVRWQCB and Lahontan RWQCB and the impacts discussion has been revised to explain all regulated dischargers would be required to identify treatment or control measures to be taken to minimize or prevent water quality degradation.

It should be noted that revisions will help ensure the potential environmental impacts of the proposed project are further reduced from those previously discussed in the DEIR and no new impacts would occur. The commenter also is referred to **Response to Comment F-1**, and **Response to Comment C-6, C-12, and C-18** which provides additional information on CDFA regulations pertaining to water quality protection.

**Response to Comment F-3:** The commenter notes the Cannabis General Order (WQ 2017-0023-DWQ) and states that all cannabis operations are required to comply. The commenter also notes that cultivators that divert and store surface water (stream, lake, subterranean stream, etc.) to irrigate cannabis also need a valid water right. The commenter notes the waterboard website and portal where cultivators can apply for coverage and an Cannabis Small Irrigation Use (SIUR) registration.

The comment is noted. The County notes that section *4.8 Hydrology and Water Quality* provides extensive discussion on the General Order and Permitting process. In addition, the text has been revised to provide additional detail of the SIUR process. It should be noted that revisions are made for clarification purposes and no impacts beyond those previously discussed in the DEIR would occur.

**Response to Comment F-4:** The commenter provides information about the Construction Stormwater General Permit and points to the fact that those discharges whose project disturb one or more acres of soil or those that disturb less but are part of a larger common plan that disturbs one acre or more, are

required to apply for coverage under Construction General Permit Order No. (2009-009-DWQ). This permit requires preparation of a Storm Water Pollution Prevention Plan (SWPPP).

The comment is noted. The County notes that *Section 4.8 Hydrology and Water Quality* discusses the Construction General Permit and notes that applicants meeting the requirements of disturbance would be required to obtain this permit and develop SWPPP. It should be noted that the County does not anticipate a large number of projects requiring a General Permit. The proposed NCCO would only allow cultivation of up to 10,000 square feet of canopy and ancillary structures 25% of that total. Even if new roadways are needed for commercial cultivation projects, very few are anticipated to reach the one-acre threshold. The County also must point out that although these projects would be permitted through the proposed NCCO, the NCCO merely sets forth the County level permitting process. The NCCO itself does not constitute a plan or propose a set of projects or even a single discrete project. Instead, each potential future individual commercial cannabis cultivation project would be required to submit individual plans for the operation. These projects would be located on separate parcels and are not considered part of a larger plan of or for development. No changes to the FEIR were required in response to this comment.

**Response to Comment F-5:** The commenter discusses the permitting requirements for Phase I and II Municipal Separate Storm Sewer System (MS4) Permits. The commenter notes that these permits are used to reduce pollutant runoff flows from new and redevelopment using Best Management Practices including low impact development.

The County understands that that based on the information provided by the commenter that the Municipal Storm Water Permitting Program regulates storm water discharges from MS4 systems and that MS4 permits were issued in two phases.

- 1) Under Phase I, which started in 1990, the Regional Water Quality Control Boards have adopted National Pollutant Discharge Elimination System (NPDES) storm water permits for medium (serving between 100,000 and 250,000 people) and large (serving 250,000 or more people) municipalities. Most of these permits are issued to a group of Co-permittees encompassing an entire metropolitan area.
- 2) On April 30, 2003, as part of Phase II, the State Water Resources Control Board issued a General Permit for the Discharge of Storm Water from Small MS4s (WQ Order No. 2003-0005-DWQ) to provide permit coverage for smaller municipalities (population less than 100,000), including non-traditional Small MS4s, which are facilities such as military bases, public campuses, prisons and hospital complexes. The Phase II Small MS4 General Permit covers Phase II Permittees statewide. On February 5, 2013, the Phase II Small MS4 General Permit was renewed and became effective on July 1, 2013.

The persons and entities that would cultivate under permits issued by the County in accordance with the proposed NCCO are not anticipated not qualify as needing coverage under the municipal providers and the MS4 permitting system would not apply to individual commercial cannabis cultivation operators and outside the scope of the proposed project.

The commenter is referred to *Section 4.8 Hydrology and Water* and referred to **Response to Comment F-1**, and **Response to Comment C-6, C-12, and C-18** which provides additional information on CDFA

regulations pertaining to the water quality protection that would be required as part of the proposed project. This comment is noted and no changes to the DEIR are required.

**Response to Comment F-6:** The commenter references the industrial storm water general permit noting industrial site must comply with the associated regulations in Industrial Storm Water General Permit Order No. 2014-0057-DWQ.

The County understands this permitting requirement. None of the individual commercial cannabis cultivation facilities would operate as industrial sites and the referenced industrial permit would not apply. All future permitted commercial cannabis cultivation operations would be required to implement all applicable water quality protection measures as part of the requirements of the NCCO, or applicable regulations. This comment is noted and no changes to the DEIR are required.

**Response to comment F-7:** The commenter refers to the Clean Water Act Section 404 Permit and the need for permitting dredge or fill materials will be taken or added to waters and the need for coordination with the United State Army Corps of Engineers (USACE). The commenter notes contact with CDFW for streambed alteration agreements.

The County understands the requirement and as part of the NCCO permitting process all projects would be screened to determine the types of permits required, including the potential need for a 404 permit. The commenter is referred to *Section 4.8 Hydrology and Water Quality*, and Response to Comment to **Response to Comment F-1** immediately above, and **Response to Comment C-6, C-12, and C-18**. Of that section, the commenter is referred to Pages 4.8-12 and 13, 4.8-21 and 22, 4.8-26, and *Section 4.4 Biological Resources* pages 4.4-28, 4.4-36 through 38, and pages 4.4-56 through 58, which further discuss the resources noted and the potential for environmental impacts to occur as well as mitigation and permitting requirements to reduce impacts. This comment is noted and no changes to the DEIR are required.

**Response to Comment F-8:** The commenter notes the potential requirements for a Clean Water Act (CWA) section 401 permit and notes that if disturbance of waters of US occurs then a water quality certification from the CVRWQCB must be obtained prior to initiation of project activities. The County understand the requirement and as part of the NCCO permitting process all projects would be screened to determine the types of permits required including the potential need for a 401 permit. The commenter is referred to pages 4.4-36 and 37 of *Section 4.4 Biological Resources* and page 4.8-13 of *Section 4.8 Hydrology and Water Quality*, which discuss 401 requirements. This comment is noted and no changes to the DEIR are required.

**Response to Comment F-9:** The commenter notes waste discharge requirements and discharges to non-jurisdictional waters of the United States may require permitting through the CVRWQCB and discusses the applicability of the Porter-Cologne Water Quality Control Act (PCWQCA). The County understands the requirements for permitting through CVRWQCB. All future commercial cannabis cultivation projects will be screened by the County for permitting requirements. If a discharge permit is required, it would be included to the future cultivation project prior to a permit being issued. In addition, the commenter is referred to page 4.8-15, and 4.8-22, which discusses the applicability of the PCWQCA. This comment is noted and no changes to the DEIR are required.

**Response to Comment F-10:** The commenter notes the requirement for dewatering permits that would be needed when groundwater is discharged to the land. The commenter further notes that small temporary construction dewatering projects are projects that discharge groundwater to land from excavation activities of dewatering of underground utility vaults. The County understands the requirements for dewater permitting through CVRWQCB. Although dewatering permits are not anticipated, all future commercial cannabis cultivation projects will be screened by the County for permitting requirements. If a dewatering permit is required, it would be included to the future cultivation project prior to a permit being issued. This comment is noted and no changes to the DEIR are required.

**Response to Comment F-11:** The commenter notes the requirements for regulatory compliance for commercially irrigated agriculture and notes discharges would be required to obtain coverage under the Irrigated Lands Regulatory Program. There are two options under this program and include 1) obtaining coverage under a coalition group; and 2) obtaining coverage under the General Waste Discharge Requirements for Individual Growers, General Order R5-2013-0100.

The County understands this comment; and also understands it would not be applicable to any of the commercial cannabis cultivation activities that would be permitted through the proposed NCCO. General Order R5-2013-0100- Findings – Scope of Coverage States the following:

7. This Order does not apply to discharges of waste that are regulated under other Water Board issued WDRs or conditional waiver of WDRs. If the other Water Board WDRs/waiver of WDRs only regulates some of the waste discharge activities (e.g., application of treated wastewater to crop land) at the regulated site, the owner/operator of the irrigated lands must obtain regulatory coverage for any discharges of waste that are not regulated by the other WDRs/waiver. Such regulatory coverage may be sought through enrollment under this Order or by obtaining appropriate changes in the owner/operator's existing WDRs or conditional waiver of WDRs.

All commercial cannabis cultivation activities permitted under the NCCO would be required to obtain coverage under the General Waste Discharge Requirements and Waiver of Waste Discharge Requirements for Discharges of Waste Associated with Cannabis Cultivation Activities (Cannabis General Order), which implements the Cannabis Policy (WQ 2017-0023-DWQ). The commenter is referred to pages 4.8-15 through 19, which discuss the current water quality permitting requirements of the CVRWQCB, Lahontan RWQCB and SWRCB, as well as discussion of how the permitting requirements change on July 1, 2019. The County also notes, all future commercial cannabis cultivation projects will be screened by the County for permitting requirements. If this permit is required, it would be included to the future cultivation project prior to a permit being issued. This comment is noted and no changes to the DEIR are required.

**Response to Comment F-12:** The commenter notes the potential requirement for a Limited Threat General NPDES Permit in relation to construction dewatering. The commenter is referred to **Response to Comment F-10**, above regarding the anticipated need for dewatering associated with commercial cannabis cultivation projects. Although dewatering permits are not anticipated, all future commercial cannabis cultivation projects will be screened by the County for permitting requirements. If a dewatering permit is required, it would be included to the future cultivation project prior to a permit being issued.

All future commercial cannabis cultivation projects will be screened by the County for permitting requirements. If a discharge permit is required, it would be included to the future cultivation project prior to a permit being issued. This comment is noted and no changes to the DEIR are required.

**Response to Comment F-13:** The commenter notes the potential need for an NPDES permit for discharges other than into a community sewer system and states a complete Report of Waste Discharge be submitted to the CVRWQCB. The County understands that commercial cannabis cultivation projects may require issuance of a State Water Board WDR for Small Domestic Waste Water Treatment Systems (Order WQ 2014-0153-DWQ) related to domestic wastewater depending on whether cannabis cultivation is connected to a local public sewer or septic type system. The commenter is referred to **Response to Comment G-8**. In addition, the County understand the requirements for water quality permits and as part of the NCCO permitting process all projects would be screened to determine the types of permits required prior to a County permit being issued. This comment is noted and no changes to the DEIR are required.

GAVIN NEWSOM  
GOVERNORJARED BLUMENFELD  
SECRETARY FOR  
ENVIRONMENTAL PROTECTION

## Lahontan Regional Water Quality Control Board

February 7, 2019

Brian Foss  
Planning Director, Nevada County  
850 Maidu Avenue  
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### Comments on Draft Environmental Impact Report for Nevada County Commercial Cannabis Cultivation Ordinance Project

Thank you for providing us the opportunity to provide early review and comment on the Nevada County Commercial Medical Cannabis Cultivation Ordinance Draft Environmental Impact Report (EIR) and for taking the initiative to develop the EIR with considerations to potential effects on water quality. The California Regional Water Quality Control Board, Lahontan Region (Lahontan Water Board) staff received a Notice of Availability draft EIR on January 14, 2019. The proposed project would enable a structured and logical management procedure for the cultivation of cannabis within all unincorporated areas within Nevada County. More specifically, the proposed Nevada County Commercial Cannabis Cultivation Ordinance (NCCO) defines the locations and zoning designations in which cannabis can be cultivated, sets size limitation on cultivation areas, defines three types of cultivation, provides for a structural permitting process, implements standards to help address neighborhood compatibility concerns and the provision of services and utilities, and implements procedures to protect natural resources and the environment. Additionally, adoption of the proposed NCCO would provide for local control over cannabis cultivation but not alter personal use cannabis activities and does not preempt federal prohibitions of the use or possession of cannabis.

Lahontan Water Board staff, acting as a responsible agency, is providing comments to specify the scope and content of the environmental information germane to our statutory responsibilities pursuant to CEQA Guidelines, California Code of Regulations (CCR), title 14, section 15096.

### WATER BOARD'S AUTHORITY

All groundwater and surface waters are considered waters of the State. All waters of the State are protected under California law. State law assigns responsibility for protection of water quality in the Lahontan Region to the Lahontan Water Board. Some waters of the State are also waters of the United States. The Federal Clean Water Act (CWA) provides additional protection for those waters of the State that are also waters of the United States.

PETER C. PUMPHREY, CHAIR | PATTY Z. KOUYOUMDJIAN, EXECUTIVE OFFICER

The *Water Quality Control Plan for the Lahontan Region* (Basin Plan) contains policies that the Water Board uses with other laws and regulations to protect the quality of waters of the State within the Lahontan Region. The Basin Plan sets forth water quality standards for surface water and groundwater of the Region, which include designated beneficial uses as well as narrative and numerical objectives which must be maintained or attained to protect those uses. The Basin Plan can be accessed via the Water Board's web site at:

[http://www.waterboards.ca.gov/lahontan/water\\_issues/programs/basin\\_plan/references.shtml](http://www.waterboards.ca.gov/lahontan/water_issues/programs/basin_plan/references.shtml).

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cont'd

## SPECIFIC COMMENTS

We recommend the following be included as part of the EIR and considered in the environmental review.

1. 1.5 Responsible and Trustee Agencies

The draft EIR includes Responsible and Trustee agencies, identifying the Lahontan Water Board as one. Under each agency, there are bullets identifying regulatory authority. Please include Basin Plan Prohibitions for the Truckee River and Little Truckee River Hydrologic Units as identified in Chapter 4 of our Basin Plan.

G-3

2. 2.8 Responsible and Trustee Agencies

Please refer to comment above. Please include the authority of the Water Board to issue a Basin Plan Prohibition Exemption for project located in the Truckee River and Little Truckee River Hydrologic Units.

G-4

3. 3.1.7 Program EIR Discretionary Actions

This section should accurately list all potential permits and approvals that may need to be acquired from the Water Boards. In addition to a 401 certification, Cannabis Cultivation General Order permit, and Cannabis Cultivation Program Water Right, there is potential additional permits or prohibition exemptions. These include: Statewide General Construction Permit; Lahontan Water Board Waste Discharge Requirements (WDRs) for Small Construction Projects (which is inclusive of the Truckee River HU and Little Truckee HU) [Board Order No. R6T-2003-0004]; and potential Basin Plan Prohibition Exemptions for projects located in the Truckee or Little Truckee River HUs. Also, depending on the Standard Industrial Classification (SIC) code for industrial-type activities at a specific site, individual projects may require an *NPDES General Industrial Storm Water Permit*, WQO-2014-0057-DWQ, obtained from the State Water Board, or individual Storm Water Permit obtained from the Lahontan Water Board.

G-5

This information should be housed in the Project Description for this EIR (Chapter 3). It would also be beneficial to highlight that the proposed project would not supersede any existing regulation or permits that would need to be acquired for any cannabis cultivation related activities.

4. 4.4.2 Regulatory Setting – Biological Resources

For Biological Resources, regulatory setting should include the Central Valley and Lahontan Water Boards Basin Plans. Many water bodies have a biological beneficial use and the Basin Plan establishes water quality objectives, waste

G-6

discharge prohibitions, and other implementation measures to protect the designated beneficial uses. State water quality standards also include a Nondegradation Policy. These should be identified in the final EIR.

G-6  
*cont'd*

5. 4.7.2 Regulatory Setting – Hazardous Materials

Within State regulatory authority, the Lahontan Water Board WDRs for Small Construction Projects in the Lahontan Region (Board Order No. R6T-2003-0004) applicable to the Little Truckee and Truckee HUs should be identified as there is a provision that states, “The discharge of oil, gasoline, diesel fuel, any petroleum derivative, any toxic chemical, or hazardous waste is prohibited.”

G-7

6. 4.16.2 Regulatory Setting – Wastewater

The project should identify that there is the State Water Board WDR for Small Domestic Wastewater Treatment Systems (Order WQ 2014-0153-DWQ). This is only inclusive of domestic wastewater. The Statewide Cannabis permit reporting requirements includes provisions that the discharger must have information readily available as to the handling of their wastewater, whether it is connected to local public sewer system or is held in a sealed container and hauled off site. The Lahontan Basin Plan (Chapter 4) also includes a prohibition of discharge in the Truckee River and Little Truckee River Hydrologic Units of domestic wastewater to individual facilities such as septic tank-leachfield systems for any subdivisions that did not discharge prior to October 16, 1980. The prohibition applies to all areas where underlying ground waters are tributary to the Truckee River or any of its tributaries above the confluence of the Boca Reservoir outlet and the Truckee River.

G-8

7. Cumulative Projects – Biological Resources

The draft EIR acknowledges that actions under the proposed ordinance would include land use conversion that could degrade aquatic habitat in Nevada County. Any additional impacts that could impact the biological beneficial uses of water bodies located in Nevada County is prohibited. Additional clarification is necessary in how the cumulative impact will be mitigated. No net loss of functions and acreage of wetlands and other waters will not necessarily protect against future degradation due the cumulative effects of this project.

G-9

8. Cumulative Projects – Hydrology and Water Quality

The final EIR should also highlight the importance of meeting regional Basin Plan requirements, including the protection of beneficial uses, prohibitions, and antidegradation policy.

G-10

The draft EIR acknowledges that cannabis cultivation could use groundwater to irrigate their cultivation areas and that the project could substantially deplete groundwater supplies or interfere substantially with ground water recharge resulting in a net deficit of aquifer volume or lowering of the ground water table. The County currently does not have any control over the volume of water that is extracted from personally owned wells for the purpose of commercial cannabis cultivation. How does the County plan to address this impact and ensure there are no long-lasting cumulative impacts of this project?

G-11

The Lahontan Water Board appreciates the opportunity to comment on the draft EIR for the Nevada County Commercial Medical Cannabis Cultivation Ordinance. We appreciate the time and effort by the County to ensure all impacts of adopting this ordinance have been evaluated. We hope to work collaboratively in the future with Nevada County in implementing the ordinance and protecting water quality.

G-12

If you have any questions regarding this letter, please contact Carly Nilson, Environmental Scientist, at (530) 542-5445 ([carly.nilson@waterboards.ca.gov](mailto:carly.nilson@waterboards.ca.gov)), or me at (530) 542-5434 ([eric.taxer@waterboards.ca.gov](mailto:eric.taxer@waterboards.ca.gov)).



Eric J. Taxer  
Senior Water Resource Control Engineer  
Eastern California Regional Cannabis Unit

cc: Carly Nilson

EJT/ma/T: NV County Commercial Medical Cannabis Cultivation Ordinance EIR Comments

File Under: ECM / Cannabis/Environmental Document/General Correspondence/Review/Misc./Water Board Review Response

## Response to Comment Letter G - Lahontan Regional Water Quality Control Board (LRWQCB)

**Response to Comment G-1:** The commenter provides introductory remarks about the proposed NCCO and summarizes the approach to project implementation as structured and logical. The introductory remarks are concluded by the commenter noting the LRWQCB, acting as a responsible agency, provided comments on the DEIR. This comment is introductory, and no environmental issues or concerns were raised. No further response is necessary.

**Response to Comment G-2:** The commenter notes that all ground water and surface waters are considered waters of the state and protected under law including the Clean Water Act (CWA). The commenter notes the Water Quality Control Plan for the Lahontan Region (Basin Plan), which contains policies and sets forth water quality standards. The comment is noted, and the commenter is referred to *Section 4.8 Hydrology and Water Quality* which discusses the CWA and other regulatory requirements which are required of influenced by it on pages, 4.8-3, 4.8-12 through 17 in detail. In addition, the Basin Plans for both LRWQCB and the Central Valley Regional Water Quality Control Board (CVRWQCB) is discussed on pages 4.8-2 through 3, 4.8-124.8-15 through 18. This comment is noted and no changes to the DEIR are required.

**Response to Comment G-3:** The commenter requests the Basin Plan prohibitions for the Truckee River and Little Truckee River Hydrologic Units be included to the regulatory authority of the LRWQCB. The Comment is noted. The Basin Plan was reviewed for a list of prohibitions. Due to the length and breadth of the prohibitions the LRWQCB board manages and for brevity in the FEIR, the following language was added,

- “All Prohibitions for the Truckee River Hydrologic Unit”; and
- “All Prohibitions for the Little Truckee River Hydrologic Unit”

The revision to the FEIR serves to clarify the authority of the LRWQCB and does not change any conclusions already made in the DEIR. No further comment is required.

**Response to Comment G-4:** The commenter refers to the Comment G-3 above and requests the authority of the LRWQCB to issue a Basin Plan Prohibition Exemption for projects located in the Truckee and Little Truckee River Hydrologic Unit. The comment is noted and the page 1-6 has been revised to reflect the requested information. The commenter is referred to **Response to Comment G-3**, above for the specific language added.

**Response to Comment G-5:** The commenter requests that additional permits that may be needed for commercial cannabis cultivation issued by the LRWQCB and SRWCB be listed in Section 3.1.7 of the Project Description. In response to the comment, page 3-47 has been updated with the following language:

- “All Prohibition for the Truckee River Hydrologic Units
- All Prohibitions for the Little Truckee River Units
- Waste Discharge Requirements for Small Construction Permits (R6T-2003-004)

- Individual Storm Water Permit
- Statewide Construction General Permit
- General Industrial Storm Water Permit (WQO-2014-0057-DWQ)”

Per the commenter request, page 3-46 also has been revised to include, “The proposed NCCO would not supersede any requirements for the following permitting requirement should they be applicable.” The changes have been made per the request of the LRWQCB and provide additional clarity on authority and regulation. The revisions do not result in a change to any conclusions in the DEIR. No further comment is required.

**Response to Comment G-6:** The commenter requests that *Section 4.4 Biological Resources* include a discussion of the Basin Plans for the CVRWQCB and the LRWQCB due to the value that water bodies have for biological resources. The comment is noted, and the County provides the following response. Both Basin Plans and the intent of Basin Plans as set forth by the SWRCB is discussed in detail in *Section 4.8 Hydrology and Water Quality* on pages 4.8-1 4.8-3, 4.8-12, 4.8-15 through 4.8-18, and 4.8-24. The commenter is referred to **Response to Comment F-1** and **F-2**, which discuss the reference to the Basin Plans and antidegradation policies, and **Response to Comment F-7** and **F-8**, which includes discussions of water quality related issue in term of biological resources. The County does not contest that water quality of detrimental effects thereof are important factors in addressing impacts to biological resources. However, the County contends that the thorough discussion of water quality, specifically the basin plans, and thorough discussion of biological resources with their respective chapters are consistent with the intent of CEQA. Even so, the County has revised page 4.4-37, to include the following:

“It should be noted that the Central Valley RWQCB and Lahontan RWQCB each maintain Basin Plans to ensure water quality, and beneficial uses, some of which include biological resources. A complete discussion of the Basin Plans and associated protection is provided in Section 4.8 Hydrology and Water Quality.”

In regard to the Nondegradation Policy the commenter is referred to page 4.8-17 of Section 4.8 Hydrology and Water Quality as well as **Response to Comment F-1** and **F-2**. This portion of the FEIR has been revised to include a discussion of the Antidegradation Policy. This discussion includes a policy discussion for both CVRWQCB and LRWQCB. The revisions have been made for clarification purposes and per the request of the commenting agency. No impacts beyond those previously discussed in the DEIR would occur.

**Response to Comment G-7:** The commenter notes that in *Section 4.7 Hazards and Hazardous Materials* reference to the LRWQCB (Order No R6T-2003-0004) should be made as it refers to Small Construction Projects and applicable to the Truckee and Little Truckee HUs in which a provision prohibits discharges of oil, gasoline, diesel fuel, any petroleum derivative, toxic chemical, or hazardous waste.”

The County understand the requirement and as part of the NCCO permitting process all projects would be screened to determine the types of permits required, including the potential need for a permit under Order No R6T-2003-0004. Per the request of the commenting agency, page 4.7-15 of *Section 4.7 Hazards and Hazardous Materials* has been revised to include the following language:

“In addition to the General Permit, as it pertains specifically to hazards and hazardous materials, the Lahontan Regional Water Quality Control Board (Order No. R6T-2003-004) specifically prohibits, “the discharge of oil, gasoline, diesel fuel, any petroleum derivative, and toxic chemical, or hazardous waste...”

The revisions have been made for clarification purposes and per the request of the commenting agency. No impacts beyond those previously discussed in the DEIR would occur.

**Response to Comment G-8:** The commenter references State Water Board WDR for Small Domestic Waste Water Treatment Systems (Order WQ 2014-0153-DWQ) related to domestic wastewater and whether cannabis cultivation is connected to a local public sewer or septic type system. The commenter notes there LRWQCB also prohibits discharge to the Truckee River and Little Truckee River including underlying groundwater that may be tributary.

The comments are noted. The County understand the requirement and as part of the NCCO permitting process all projects would be screened to determine the types of permits required, including the potential need for a permit under Order WQ 2014-0153-DWQ. In response to the request of the commenter and to clarify requirements Page 4.16-9 has been revised to include the following language.

“Specifically, regarding the discharge of wastewater, the SWRCB has authority to regulate small domestic wastewater treatment systems through Order WQ 2014-0153-DWQ. This order is only inclusive of domestic wastewater and would apply to commercial cannabis cultivation operations. The order requires that discharges provide information regarding the treatment of wastewater from a cultivation site and if the wastewater is connected to a local public sewer utility of is held in a sealed container and then hauled off-site.”

Page 4.8-17 has been revised to include the following language:

“The basin plan also includes a prohibition on discharge of wastewater into the Truckee or Little Truckee River Hydrologic Units. Section 4.16 Utilities and Service Systems, provides additional detail regarding SWRCB General Order WQ 2014-0153-DWQ relating to small domestic wastewater treatment systems.”

The revisions have been made for clarification purposes and per the request of the commenting agency. No impacts beyond those previously discussed in the DEIR would occur.

**Response to Comment G-9:** The commenter notes the biological cumulative impacts specifically in relation to degradation of aquatic habitat. The commenter also requests additional clarification on how impacts will be mitigated.

The commenter is referred to **Response to Comments C-31** regarding cumulative impacts to aquatic habitat. The cumulative analysis was revised to provide clarification. These impacts were found to be significant and unavoidable. Regarding the request for clarification on protections against further degradation and mitigation, *Section 4.4 Biological Resources* and *Section 4.8 Hydrology and Water Quality* provide this detail in the subsection of the Impacts Discussion. In addition, portions of the proposed NCCO have been revised to include clarification on regulations pertaining to biological resources. These regulations would be included as part of the permitting process and contain elements to protect biological resources; the FEIR has been revised to provide clarification. The permitting conditions, when applicable,

would apply to the approval process for commercial cannabis cultivation projects. The commenter is referred to **Response to Comment C-15, C-18, B-3 and B-4, B-8, B-9, and F-1, F-2, F-3**. Although not all responses directly relate to protection of biological resources, some of the responses discuss protections to water bodies and are; therefore, applicable to the comment.

**Response to Comment G-10:** The commenter notes that the FEIR should highlight the importance of meeting Basin Plan Requirements and antidegradation policies. The commenter is referred to **Response to Comment G-6** and **Response to Comment F-1 and F-2**. To clarify, per the commenters request, page 5-9 of the *Section 5.0 Cumulative Impacts* has been revised to include mention of the Basin Plan(s) and antidegradation policy. It should be noted; these plans and policies are discussed in detail in *Section 4.8 Hydrology and Water Quality*. The revisions do not result in a change to any conclusions in the DEIR. No further comment is required.

**Response to Comment G-11:** The commenter is correct that the DEIR recognizes that the use of groundwater for irrigation of commercial cannabis cultivation would occur. The commenter also is correct that the County currently does not have control over the volume of water that is extracted from personally owned wells.

The commenter is referred to page 4.8-36 which discloses:

“Groundwater use for individual wells is not currently regulated within the unincorporated areas of the County, and well users are not required to monitor and provide well logs. As previously stated, it is unknown how much groundwater is currently being used in the County through individual wells.”

The DEIR properly discloses that this impact is significant and unavoidable. The DEIR concludes that the County currently does not have a mechanism to regulate groundwater use for any type of land use application within the unincorporated areas. No feasible mitigation measures have been identified that could be implemented on a project by project level.

The commenter also is referred to page 5-9 of *Section 5.0 Cumulative Impacts* which discloses:

“The project would result in an increase in demand for local groundwater resources that could contribute to cumulative groundwater supply and impacts in areas of the County with limited groundwater resources (e.g., fractured bedrock conditions). The County currently does not monitor groundwater extraction for residential or agricultural uses. An increase in groundwater extraction in existing wells or new wells for commercial cannabis activities could result in unknown reductions in local groundwater levels that could adversely impact adjacent wells...the potential impacts would be cumulatively considerable and significant and unavoidable.”

In accordance with State CEQA Guidelines, the DEIR makes the appropriate conclusion and these impacts are included to the project Findings for final review and denial or approval (with a Statement of Overriding Considerations) by the County Planning Commission.

State CEQA Guideline 15126.2 (b) states: Significant Environmental Effects Which Cannot be Avoided if the Proposed Project is Implemented. Describe any significant impacts, including those which can be mitigated but not reduced to a level of insignificance. Where there are impacts that cannot be alleviated

without imposing an alternative design, their implications and the reasons why the project is being proposed, notwithstanding their effect, should be described”

State CEQA Guideline 15093 (b) states: “When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the final EIR and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record.”

The commenter also is referred the *Findings* in the FEIR, which discuss the CEQA process in relation to significant unavoidable impacts and the required statement of overriding considerations, and associated Findings, respectively. The DEIR and FEIR meet these requirements. This comment is noted and no changes to the FEIR are required.

**Response to Comment G-12:** The commenter makes a conclusory statement appreciating the chance to comment and states the LRWQCB looks forward to working collaboratively. The County recognizes the LRWQCB as a valuable resource and will consult and recommend applicants for commercial cannabis cultivation permits consult as needed. This comment is noted and no changes to the FEIR are required.



Letter H: Nevada County  
Agricultural Commissioner

**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
**AGRICULTURAL COMMISSIONER**  
**SEALER OF WEIGHTS AND MEASURES**

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Sean Powers  
Community Development Agency Director

Chris de Nijs  
Agricultural Commissioner/Sealer of Weights and Measures

DATE: February 24, 2019  
TO: Brian Foss, Nevada County Planning Director  
FROM: Chris de Nijs, Nevada County Agricultural Commissioner  
SUBJECT: **Comments on Nevada County's Draft Cannabis Environmental Impact Report (EIR)**

Dear Mr. Foss,

Thank you for the opportunity to comment on Nevada County's Draft Cannabis EIR. After discussions with the Nevada County Agricultural Advisory Commission, I believe that while the EIR covered many environmental topics, there are a few areas lacking complete analysis or missing all together.

H-1

**4.15- Transportation and Traffic**

While the EIR does evaluate impacts to roads maintained by Caltrans, Nevada County, Truckee, and Grass Valley. The EIR failed to analyze impacts to private roads. Under the proposed ordinance, the cultivation of commercial cannabis will only be allowed in properties zoned AG, AE, and FR. As you know, there are many miles of private roads in these approved zones. The proposed ordinance also allows up to ten (10) employees per premise at any given time. The potential of these commercial operations having a significant impact to private roads is great.

While it is understood that owners living on private roads are required to maintain their road under State law, many of these roads were not designed to withstand the impacts of a commercial operation such as cannabis cultivation. This could potentially result in significant degradation of the private road and increase the cost to all residents whether cultivating cannabis or not. This degradation will exponentially increase as it is likely that more than one cultivation site will be located along a single private road.

H-2

It is requested that you further analyze the impacts that commercial cannabis cultivation has on private roads and recommend mitigation measures such as requiring that all commercial cannabis cultivators provide direct access to a publicly-maintained road; or if the property does not have direct access to a publicly-maintained road, the commercial cannabis cultivator shall be required to form a new or join an existing road maintenance district (i.e. permanent road division, county service area, community service district). Also, if a homeowners' or road association oversees the maintenance of

the private road(s), participation in maintaining the road as defined by Section 845 of the California Civil Code is required.

H-2  
*cont'd*

#### **4.2- Agriculture and Forestry Resources**

The EIR failed to analyze potential impacts of cannabis to other agricultural crops. As mentioned above, the commercial cultivation of cannabis will only be allowed in AG, AE, and FR zoned properties. These zoned properties are also where the majority of Nevada County's traditional agricultural crops are grown, which was valued at over \$23 million dollars in 2017. My main concern is that the EIR failed to analyze the potential of cannabis harboring and spreading exotic or injurious pests and diseases not known to exist in Nevada County to other agricultural crops.

Traditional agricultural growers already struggle with a shorter growing season and subpar soil; should an exotic or injurious pest or disease be introduced into Nevada County, it could result in complete devastation of our traditional agricultural crops. Current state laws and regulations do not provide a standard of cleanliness for cannabis, nor are there quarantines that prevent the movement of cannabis possibly contaminated with an exotic or injurious pest or disease. There are, in contrast, many quarantines that limit the movement of traditional agricultural commodities.

H-3

It is likely that commercial cannabis cultivators will purchase immature nursery stock from outside the county to supplement their operation, therefore it is requested that the EIR evaluate the impact of transporting live cannabis plants into Nevada County originating from outside the County. It is also requested that mitigation measures be recommended, such as providing for plant inspection at the point of destination.

H-4

Thank you again for the opportunity to provide comments on the draft EIR, please let me know if you require clarification or have any questions about these comments.

H-5

Regards,

Chris de Nijs  
Nevada County Agricultural Commissioner

## Response to Comment Letter H - County of Nevada Agricultural Commissioner

**Response to Comment H-1:** The comment is introductory in nature and references the comments below. The comment is noted and no changes to the FEIR are required.

**Response to Comment H-2:** The commenter notes that the DEIR does not evaluate the impacts to private roads and that many private roads would be used to access parcels in properties zoned AG, AE, and FR. The commenter continues and states that it is possible that numerous cultivation sites would be located along a single private road resulting in degradation. The commenter further requests further analysis be completed for private roads and mitigation to be added as needed. No further response is required.

The commenter is referred to **Response to Comment H2-14**, which prompted a revision to Impact Discussion 4.15-4. The text of the FEIR has been revised to include a review of cultivation projects by Nevada County Department of Public Works (NCDPW). While this review was inherent to the proposed NCCO as written and analyzed in the DEIR, it was not specifically discussed. As now explained in the FEIR, NCDPW would review projects for conformance with roadways standards, such as Local Class 1 Standards. If NCDPW finds that roadways do not meet required standards, conditions of approval requiring roadway improvements could then be added to the permitting process. The Planning Department believes this clarification and elaboration of the permitting process should meet the requests of the commenter.

Lastly, it should be noted that impacts to Private roads were discussed. The language “private road,” appears a total of 15 times in *Section 4.15 Transportation and Traffic* and private roads are discussed in subsection Impacts 4.15-4 and Impact 4.15-5. As discussed above, revisions have been made to the FEIR based on this comment and others. It should be noted that revisions will help ensure the potential impacts to transportation and traffic, including private roads are further reduced from those previously discussed in the Draft EIR. No new impacts would occur. No further response is required.

**Response to Comment H-3:** The commenter states that the DEIR did not evaluate potential effects associated with pests and states that the introduction of pests could result in impacts to other agricultural crops within the County. The commenter states that current state laws and regulations do not provide standards of cleanliness for cannabis, nor are there quarantines that prevent the movement of cannabis possibly contaminated with an exotic or injurious pest or disease.

On December 28, 2019 revisions to the State CEQA Guidelines were formally adopted by the California Office of Planning and Research (OPR). Prior to the adoption State CEQA Guidelines did not include a requirement for the evaluation of pests associated with agricultural crops. Additionally, the revised CEQA Checklist found in Appendix G, the checklist used in this EIR, also did not include the evaluation of pests for agricultural crops.

Regarding the current state laws and regulations, the California Department of Food and Agriculture regulations require the preparation of a Pest Management Plan as a part of § 8106 Cultivation Plan Requirements. More specifically, the Pest Management Plan must include but not be limited to: product names and active ingredients, integrated pest management protocols including those for chemical, biological, and cultural methods. Within this requirement the regulations specifically states, “...to control or prevent the introduction of pests on the cultivation site.” In addition, § 8106 (b)(2)(C) states, “A signed attestation that states the applicant shall contact the appropriate County Agricultural Commissioner

regarding requirements for legal use of pesticides on cannabis prior to using any of the active ingredients or products included in the pest management plan and shall comply with all pesticide laws.”

This requirement will provide the County Agricultural Commissioner the ability to review all Pest Management Plans prior to project approval. The Commenter is Referred to **Response to Comment C-17** and the corresponding text in *Section 4.7 Hazards and Hazardous Materials*, which describes the listed language, which also is included in Impact Discussion 4.7-1. The addition of the regulations and discussion in the FEIR are consistent with CDFA regulations, the proposed NCCO, and State CEQA Guidelines. No new impacts would occur. No further response is required.

**Response to Comment H-4:** The commenter states that immature cannabis plants may be imported from outside the County and requests mitigation requiring inspection. The commenter is referred to **Response to Comment H-3**. No further response is required.

**Response to Comment H-5:** The commenter closes the comment letter with thanks for the opportunity to comment. This comment does not pertain to the adequacy of the DEIR and no further response is required.



**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
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Sean Powers  
 Community Development Agency Director

Trisha Tillotson  
 Director of Public Works

January 29, 2019

Attn: Brian Foss, Planning Director  
 County of Nevada  
 950 Maidu Avenue  
 Nevada City, CA 95959

Re: Nevada County Commercial Medical Cannabis Cultivation Ordinance Draft EIR

Dear Mr. Foss:

Thank you for the opportunity to comment on the Draft Environmental Impact Report (EIR) for the Nevada County Commercial Medical Cannabis Cultivation Ordinance. The Department of Public Works has reviewed the Transportation and Traffic section of the Draft EIR and has the following comments.

| Page    | Location                                      | Comment                                                                                                                                                                                              |       |
|---------|-----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 2-34    | Cumulative Transportation and Traffic Impacts | Level of Significance before mitigation is shown as Potentially Significant and LTS after, even though no mitigation is applied. Should this be LTS in the Before column?                            | H1-1  |
| 4.15-1  | Paragraph 1                                   | Town of Truckee                                                                                                                                                                                      | H1-2  |
| 4.15-1  | Paragraph 2                                   | Add that the circulation system also includes a number of Permanent Road Divisions and County Service Areas that are maintained by the County (these are neither fully county nor private roadways). | H1-3  |
| 4.15-1  | Bulleted list                                 | Donner Pass is a Major Collector in the County and may be an Arterial in the Town of Truckee. Nevada City Highway can be listed as another Arterial in its place.                                    | H1-4  |
| 4.15-2  | State Route list                              | Check capitalization throughout.                                                                                                                                                                     | H1-5  |
| 4.15-2  | County Roads                                  | Correct maintained mileage to approximately 562 miles.                                                                                                                                               | H1-6  |
| 4.15-4  | Table                                         | "Retract" should be "Retrac"                                                                                                                                                                         | H1-7  |
| 4.15-6  | Last paragraph                                | "The minimum level of service is LOS C for Rural Regions"                                                                                                                                            | H1-8  |
| 4.15-9  | Table                                         | "Existing" - should this be 2016?                                                                                                                                                                    | H1-9  |
| 4.15-10 | Table                                         | Most of these roads labeled as Arterials in the RTP are not actually designated as such by Nevada County or Caltrans.                                                                                | H1-10 |
| 4.15-25 | Paragraph 1 under Impact 4.15-1               | First sentence doesn't make sense.                                                                                                                                                                   | H1-11 |
| 4.15-25 | Last paragraph                                | Check punctuation in last sentence. This whole section of impacts needs editing.                                                                                                                     | H1-12 |
|         |                                               |                                                                                                                                                                                                      | H1-13 |

|         |                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |       |
|---------|---------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|
| 4.15-26 | Last full paragraph | Cites reduced traffic impacts from remote sites, "such as those in the Sierra Nevada Mountains." Most of Nevada County is in the Sierra Nevadas, and the areas that aren't (e.g., southwestern) are also very remote. Recommend eliminating.                                                                                                                                                                                                                                                                                                                         | H1-14 |
| 4.15-32 | Impact 4.15-4       | Add a discussion that discloses that the Department of Public Works would review each land use permit (ADPs and UPs) to ensure it meets road standards, and would have the ability to require improvements if applicable, based on increased traffic. For example, there is an ADT threshold for various classification types. If the cannabis operation were to bring a road above 100 ADT, for example, it would then have to meet the Local Class 1 standard. This ability to require improvements would help to reduce impacts to local roads and neighborhoods. | H1-15 |

The Department of Public Works has no comments on solid waste, transit, or sanitation issues within the Draft EIR. While the Solid Waste Division has the potential to be impacted, cannabis farmers will be responsible for complying with State and County standards during operations, and no special conditions or mitigation measures are needed. If you have any questions, please contact me at (530) 265-1254 or [Jessica.Hankins@co.nevada.ca.us](mailto:Jessica.Hankins@co.nevada.ca.us).

Sincerely,



Jessica Hankins  
Public Works Project Manager

## **Response to Comment Letter H1 - County of Nevada Department of Public Works**

**Response to Comment H1-1:** The commenter questions the level of significance before evaluation and after evaluation of the project impacts. Prior to evaluation of the cumulative impacts, based on the conclusions in Section 4.15 Transportation and Traffic, impacts were considered potentially significant. After the evaluation in *Section 5.0 Cumulative Impacts*, impacts were determined to be less than significant. The comment is noted and no changes to the FEIR are required.

**Response to Comment H1-2:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with a change, to “Town of Truckee.” No further comment is required.

**Response to Comment H1-3:** The comment is noted and the text of the FEIR has been updated with the language, “The circulation system also includes a number of Permanent Road Divisions and County Service Areas that are maintained by the County (these roads are neither fully County or full private roads).”

**Response to Comment H1-4:** The comment is noted. The status of Donner Pass Road and Nevada City Highway have been updated. Donner Pass Road in the Town of Truckee is omitted because it is in the incorporated Town of Truckee. No environmental issues or concerns were raised in this comment.

**Response to Comment H1-5:** The commenter notes capitalization of State Routes. The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with a change to the capitalization of “SR.” No further comment is required.

**Response to Comment H1-6:** The change of County maintained roadways was changed to “562.” No further comment is required.

**Response to Comment H1-7:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with a change to the capitalization of “Retrac.” No further comment is required.

**Response to Comment H1-8:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with a change to the capitalization of “is.” No further comment is required.

**Response to Comment H1-9:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with a change to the date to “2016.” No further comment is required.

**Response to Comment H1-10:** The commenter questions is the table should be titled 2016. Although the data is from 2016 it is the most current available and for the purpose of the DEIR is considered the existing conditions.

**Response to Comment H1-11:** The comment is noted. As the commenter knows, different roadway descriptors may be existing between various agencies and can be described differently in documents. The following note has been added to the table for clarification

“Note: The roadway classification in this table may differ for roadway segments described in the Nevada County General Plan Circulation Element as shown in Table 4.15-1: Nevada County

Streets and Roads by Functional Classification. The designation are shown differently in the tables to maintain consistency with the source document.”

**Response to Comment H1-12:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with a change to the sentence, “Commercial cannabis cultivation has been occurring within Nevada County for many years, but large scale commercial cannabis cultivation is still a relatively new phenomenon. This is largely due to the fact that it has been an illegal activity both at the state and Federal Level.” No further comment is required.

**Response to Comment H1-13:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the sentences have been removed for clarity.

**Response to Comment H1-14:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with a change to the sentences, “These constraints, such but not limited to irregularly shaped parcels that cannot provide adequate buffers, parcels that are within 1,000 feet of a sensitive site, parcels with sensitive biological habitat that cannot be used, sites with steep and rugged terrain or inclement weather, remote parcels with access and roadway issues, and parcels that could not obtain electrical connections or sources of water, would be significant barriers to many parcels and property owners from entering the commercial cannabis cultivation market.”

This revision has been made per the request of the commenter for clarification. No additional changes to the FEIR are required.

**Response to Comment H1-15:** The commenter requests a revision to the FEIR to include Nevada County Department of Public Works as part of the review process for the determination of roadway adequacy. Revisions to the FEIR have been made based on the comment. It should be noted that revisions will help ensure the potential impacts to transportation and traffic are further reduced from those previously discussed in the Draft EIR. No new impacts would occur

Date: February 25, 2019

To: Brian Foss, Director of Planning, Nevada County

From: Diana Gamzon, Executive Director, Nevada County Cannabis Alliance

Re: Nevada County Commercial Cannabis Cultivation Ordinance DEIR Comments



### Introduction

The Nevada County Cannabis Alliance is a membership-based advocacy association representing over 500 cannabis farmers, patients and cannabis business owners. We are committed to working with county staff and elected officials to ensure our local ordinance is one that mitigates potential health, safety and environmental impacts, provides safe access to cannabis, complies with state regulations and encourages opportunities for economic development. We recognize the negative effects of unregulated grows to the environment and believe that the most effective path forward is an ordinance that decreases barriers to entry and allows farmers the ability to transition into compliant and responsible businesses.

We appreciate the opportunity to comment on the EIR on behalf of our membership. Staff and consultants have taken the complicated process of analyzing the environmental impacts of cannabis cultivation seriously and considered the consequences thoroughly. This document has a high level of sophistication and will be useful as a planning tool.

First, we want to acknowledge the wisdom of the board and county staff in approaching a full programmatic environmental impact review. Although it has extended the timeline for licensing, incorporating a thorough review will ultimately create less challenges in the future. This is something we are observing at the state level where many local jurisdictions initially rushed into the regulated marketplace and are now having to redo their approach to CEQA due to insufficient grounds.

### Assumption of Commercial Cultivation Sites

In regards to the study, the assumption of potential grows establishes approximately 27,200 potential sites for commercial cannabis activity, and a resulting declaration of significant and unavoidable impacts. These parcels, include all possible AG, AE, and FR zoned sites of five acres or more regardless of their setbacks, slopes, shape, permitted structures, and other requirements necessary to receive a permit. As expressed in the report, we also feel this number is inflated and is not representative of the actual or even likely size of the industry locally. However, we do understand the logic of the approach, similar to the General Plan, there is a need to identify all potential uses and take them into account, although it is very unlikely that the full potential will be realized. *However, since the impacts are based on a number that is highly inflated, we find the conclusions of the impacts to be completely unrealistic as well.*

## Renewable Energy CDFA Requirements

The DEIR did not include information on the renewable energy standards that are a requirement for cannabis cultivation, per California Department of Food and Agriculture. We believe that including these standards may have impacted the final results. The requirements are listed below:

“Beginning January 1, 2023, all indoor, tier 2 mixed-light license types of all sizes, and nurseries using indoor or tier 2 mixed light techniques, shall ensure that electrical power used for commercial cannabis activity meets the average electricity greenhouse gas emissions intensity required by their local utility provider pursuant to the California Renewables Portfolio Standard Program, division 1, part 1, chapter 2.3, article 16 (commencing with section 399.11) of the Public Utilities Code. As evidence of meeting the standard, licensees shall comply with the following:

(a) If a licensee’s average weighted greenhouse gas emission intensity as provided in section 8203(g)(4) is greater than the local utility provider’s greenhouse gas emission intensity, the licensee shall provide evidence of carbon offsets from any of the following sources to cover the excess in carbon emissions from the previous annual licensed period:

(1) Voluntary greenhouse gas offset credits purchased from any of the following recognized and reputable voluntary carbon registries:

(A) American Carbon Registry;

(B) Climate Action Reserve;

(C) Verified Carbon Standard.

(2) Offsets purchased from any other source are subject to verification and approval by the Department.

(b) New licensees, without a record of weighted greenhouse gas emissions intensity from the previous calendar year, shall report the average weighted greenhouse gas emissions intensity, as provided in section 8203(g) (4), used during their licensed period at the time of license renewal. If a licensee’s average weighted greenhouse gas emissions intensity is greater than the local utility provider’s greenhouse gas emissions intensity for the most recent calendar year, the licensee shall provide evidence of carbon offsets or allowances to cover the excess in carbon emissions from any of the sources provided in subsection (a).” (*CDFA Final Approved Regulations, Section 8305 “Renewable Energy Standards”*)

I-3

## Conclusion

We support the studies findings that unregulated cannabis gardens are the greatest danger to the environment, and therefore we believe achieving a high level of participation will be the key to any regulatory programs effectiveness. Providing a pathway forward that decreases barriers to entry will help maximize participation, allowing the local cannabis industry to operate successfully while decreasing negative effects on our beloved environment.

I-4

## Response to Comment Letter I - Nevada County Cannabis Alliance

**Response to Comment I-1:** The commenter provides an introductory remark about the organization and membership and negative effects of illegal grows. The commenter appreciates the opportunity to comment on the EIR and thinks the programmatic approach is appropriate. No environmental issues or concerns were raised in the first summary paragraphs; therefore, no further response is necessary.

**Response to Comment I-2:** The commenter notes that the assumption of approximately 27,200 potential sites is inflated but understands the approach. The commenter; however, also states that due to the over inflation, the conclusions of significant impacts is likely unrealistic and overstated.

The County appreciated the comment. The commenter is correct that the County used approximately 27,200 potential cultivation sites due to existing parcels in the AG, AE, and FR zones. The County also agrees with the commenter that there would be numerous development constraints for many of the parcels. These constraints include but not limited to irregularly shaped parcels that cannot provide adequate buffers, parcels that are within 1,000 feet of a sensitive site, parcels with sensitive biological habitat that cannot be used, sites with steep and rugged terrain or inclement weather, remote parcels with access and roadway issues, and parcels that could not obtain electrical connections or sources of water. The County recognizes that these would be significant barriers to many parcels and property owners from entering the commercial cannabis cultivation market.

Nonetheless, the County approached the environmental analysis for the proposed NCCO assuming full buildout of the permittable parcels. The commenter is referred to **Master Response 1 and 2**, which provides additional detail regarding the approach to the analysis.

The County would like to note that *Section 6.0 Alternatives* did evaluate a 30% of Parcels Cultivation Alternative. This analysis found that impacts to all resource areas under this alternative, except those to Land Use and Planning, and Minerals, which were found to be roughly equivalent, all other impacts were reduced or substantially reduced from the impacts disclosed in the DEIR. It should be noted that under this alternative approximately 8,162, which may still be a considerably high estimate.

**Response to Comment I-3:** The commenter notes that the DEIR did not include the CDFA renewable energy requirements. The commenter lists the requirements as shown in CDFA Regulations § 8305 Renewable Energy Requirements. The commenter is correct that the listed requirements were not shown in the DEIR. The FEIR has been revised to include the complete text of the regulations the commenter lists. The Commenter is referred to **Response to Comment C-21**, which provides additional detail regarding the regulations. The County does agree with the commenter regarding the fact conformance with these regulations would reduce the use of non-renewable energy and lessen overall carbon emissions. The addition of and conformance with these regulations would not result new impacts.

**Response to Comment I-4:** The commenter notes that NCCA supports the findings that unregulated cannabis gardens are a danger to the environment. The commenter also notes that decreasing barriers related to entry into the cannabis market will help reduce environmental impacts. The comment is noted. No further response is required.



## NEVADA IRRIGATION DISTRICT

1036 W. Main Street, Grass Valley, CA 95945-5424  
(530) 273-6185 ~ Fax: (530) 477-2646 ~ [www.nidwater.com](http://www.nidwater.com)

February 25, 2019

*VIA ELECTRONIC MAIL & HAND DELIVERY*

Nevada County

Attention: Brian Foss, Planning Director

950 Maidu Avenue, Suite 170

Nevada City, CA 95959

**Re: Comments to the Draft Environmental Impact Report for the Nevada County Commercial Cannabis Cultivation Ordinance Project**

Dear Mr. Foss:

The Nevada Irrigation District (NID or District) appreciates the opportunity to comment on the Draft Environmental Impact Report (DEIR) for the Nevada County Commercial Cannabis Cultivation Ordinance (NCCO).

NID participated in multiple preliminary scoping meetings with the County and its consultants prior to the development of the DEIR to express concerns. Upon review of the recently released DEIR, it is apparent that many of the District's concerns have not been addressed. The District's comments and concerns are compiled and placed into the table below with specific references to the relative sections of the DEIR.

### **Nevada Irrigation District Comments on the Draft Environmental Impact Report for the Nevada County Commercial Cannabis Cultivation Ordinance Project**

| <b>General Comments</b>                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
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| DEIR Inconsistent with the Nevada County Commercial Cannabis Cultivation Ordinance (NCCO) | The DEIR states in Section 2.2 (Project Overview) and Section 3.1.5 (Description of the Proposed Ordinance), "The following pages provide a detailed summary of the proposed NCCO with the above considerations and describes the land uses and areas in which cultivation would be allowed as well as the amount of cannabis that could be cultivated based on the location. The full content of the proposed NCCO is provided in Appendix B". However, Appendix B of the DEIR only provides the air quality monitoring data. A copy of the Draft NCCO (August 31, 2018) was therefore obtained from the Nevada County Website ( <a href="https://www.mynevadacounty.com/2185/Cannabis-Conversation/">https://www.mynevadacounty.com/2185/Cannabis-Conversation/</a> ). |

|                                                                                                                                           | <p>Through review of the Draft NCCO it was determined that several aspects of the DEIR Project Description (Section 3.0) are inconsistent with the Draft NCCO. Provided below are several notable differences between the DEIR Project Description and the Draft NCCO.</p> <table><tr><th>DEIR Project Description (Section 3.0)</th><th>Draft NCCO (August 31, 2018)</th></tr><tr><td>Administrative Development Permit (ADP) required for cultivation of canopy cover between 2,500 and 10,000 sq. ft.</td><td>ADP required for cultivation of canopy cover up to 2,500 sq. ft.</td></tr><tr><td>Cannabis Cultivation Permit (CCP) for cultivation of less than 2,500 sq. ft.</td><td>Conditional Use Permit (CUP) for cultivation of canopy cover between 2,501 and 10,000 sq. ft.</td></tr><tr><td>Annual Cannabis Permit (ACP) required for commercial cultivation only – not required for non-remunerative cultivation of medical cannabis</td><td>ACP required for commercial and non-remunerative cultivation of medical cannabis</td></tr></table> <p>14 CCR § 15124 sets forth the requirements for an adequate CEQA project description, including the requirement that the project description is accurate and complete. “An accurate and complete project description is necessary to fully evaluate the project's potential environmental effects.” As held in <i>County of Inyo v. City of Los Angeles</i> (1977 71 Ca. App. 3d 185) an accurate project description is “an essential element of an informative and legally sufficient EIR under CEQA” and the EIR must “describe the proposed project in a way that will be meaningful to the public, to the other reviewing agencies, and to the decision makers.”</p> <p>NID is requesting that the correct version of the NCCO be appended to the DEIR. In addition, if the Draft NCCO (August 31, 2018) currently posted on the Nevada County website is the correct version, the Project Description should be revised for consistency with the Draft NCCO; and the EIR updated, where required, to account for these revisions. Furthermore, as described in 14 CCR § 15088.5, a lead agency is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the DEIR for public review but before certification. Therefore, if revisions to the Project Description or other sections of the DEIR are determined to be substantive, NID requests recirculation of the revised EIR (or pertinent sections).</p> | DEIR Project Description (Section 3.0) | Draft NCCO (August 31, 2018) | Administrative Development Permit (ADP) required for cultivation of canopy cover between 2,500 and 10,000 sq. ft. | ADP required for cultivation of canopy cover up to 2,500 sq. ft. | Cannabis Cultivation Permit (CCP) for cultivation of less than 2,500 sq. ft. | Conditional Use Permit (CUP) for cultivation of canopy cover between 2,501 and 10,000 sq. ft. | Annual Cannabis Permit (ACP) required for commercial cultivation only – not required for non-remunerative cultivation of medical cannabis | ACP required for commercial and non-remunerative cultivation of medical cannabis |
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| DEIR Project Description (Section 3.0)                                                                                                    | Draft NCCO (August 31, 2018)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                        |                              |                                                                                                                   |                                                                  |                                                                              |                                                                                               |                                                                                                                                           |                                                                                  |
| Administrative Development Permit (ADP) required for cultivation of canopy cover between 2,500 and 10,000 sq. ft.                         | ADP required for cultivation of canopy cover up to 2,500 sq. ft.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                        |                              |                                                                                                                   |                                                                  |                                                                              |                                                                                               |                                                                                                                                           |                                                                                  |
| Cannabis Cultivation Permit (CCP) for cultivation of less than 2,500 sq. ft.                                                              | Conditional Use Permit (CUP) for cultivation of canopy cover between 2,501 and 10,000 sq. ft.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                        |                              |                                                                                                                   |                                                                  |                                                                              |                                                                                               |                                                                                                                                           |                                                                                  |
| Annual Cannabis Permit (ACP) required for commercial cultivation only – not required for non-remunerative cultivation of medical cannabis | ACP required for commercial and non-remunerative cultivation of medical cannabis                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                        |                              |                                                                                                                   |                                                                  |                                                                              |                                                                                               |                                                                                                                                           |                                                                                  |
| Need for Nevada County Enforcement                                                                                                        | The DEIR relies in large part on State permitting processes to mitigate potentially significant impacts to water quality, water supply, forest health, and the environment resulting from long-term operations under                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                        |                              |                                                                                                                   |                                                                  |                                                                              |                                                                                               |                                                                                                                                           |                                                                                  |

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|  | <p>the NCCO. For example, the discussion under Impact 4.8-1 (Hydrology and Water Quality) acknowledges that future projects under the proposed NCCO would be required to comply with laws and regulations for the preservation of water quality, and specifically (and appropriately) points to the State Water Resources Control Board's (SWRCB's) Cannabis General Order as the mechanism through which maintenance of water quality would be regulated. The DEIR further states that initial issuance of a CCP or ADP, and annual renewal of an ACP, would be contingent on confirmation of compliance with SWRCB's water quality standards. NID's concern is that the County has not adequately addressed its ability to determine a permittee's ongoing/annual compliance with the SWRCB Cannabis General Order (or other State water quality requirements). The DEIR does outline the NCCO permit application process, which would require evidence of the appropriate State license allowing the commercial cannabis cultivation (i.e., the CDFA's Cal Cannabis license); and, while not explicitly stated in the DEIR, the Cal Cannabis license application, in turn, requires documentation of enrollment in the SWRCB's applicable waste discharge program (i.e., the Cannabis General Order). SWRCB has primary enforcement responsibilities for the Cannabis General Order and must notify CDFA of any enforcement actions taken (Water Code Section 13149(b)(5)).</p> <p>While the NCCO application process as described in the DEIR does include a mechanism for determining whether an applicant has obtained State-level cannabis cultivation permits, it is not clear how the County would use this documentation to "confirm ongoing/annual compliance" with water quality standards. As described in the SWRCB Cannabis General Order, routine monitoring and reporting would be limited to minimal annual self-reporting, and only for Tier 2 (Moderate Threat) and Tier 3 (Elevated Threat) permittees. For Tier 1 (Low Threat) cannabis cultivators whose activities are located on slopes less than 30 percent and who disturb less than 0.25 acre, <u>no</u> annual self-monitoring or reporting under the Cannabis General Order would be required. Given that the maximum canopy area for commercial cultivation under the NCCO is 0.2 acre, there is the potential for many NCCO permittees to fall within the Tier 1 risk category with minimal or no required State-level monitoring or reporting thereby potentially creating an increased risk of cumulative impact within a sub-watershed environment. As stated in the County's Water Supply Evaluation (Appendix E of the DEIR), the NID service area will have the most potential grow sites in the County, with more than <u>30,000 parcels</u> meeting the NCCO's zoning and size requirements. Absent a more robust monitoring and reporting program at the local level, compliance with water quality regulations cannot be adequately enforced; and the potential for degradation of water quality resulting from the long-term operation of commercial cannabis cultivation on more than 30,000 parcels</p> |
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|                                                                                            | <p>within NID's service area would not be adequately mitigated—particularly at the cumulative scale.</p> <p>14 CCR § 15126.4 (2) states that mitigation measures must be fully enforceable through permit conditions, agreements, or other legally binding instruments. NID is, therefore, requesting that the EIR be revised to include additional measures to ensure that potential impacts to water quality and the environment resulting from long-term operations of commercial cannabis cultivation sites under the NCCO are enforceably mitigated to less than significant levels. Such mitigation measures should include a County-level monitoring and reporting program, including site visits; and subsequent denial of annual ACP permits for cultivators that fail to meet standards. Additionally, environmental impacts could include fragmenting watersheds, expansion of unpaved roads, and the potential for long term water quality issues associated with runoff from these sites. Mitigation measures for these impacts should be enforceable, monitored, and reported annually as part of a permit renewal process. Furthermore, as described in 14 CCR § 15088.5, a lead agency is required to recirculate an EIR when significant new information is added to the EIR after public notice is given of the availability of the DEIR for public review under Section 15087 but before certification. "Significant new information" can include a new mitigation measure proposed to be implemented. Therefore, NID is also requesting recirculation of pertinent chapters of the EIR (e.g., Section 4.8, Hydrology and Water Quality) which provide the analysis of the new mitigation measure(s).</p> |
| <b>Water Supply and Water Quality</b>                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Impacts to water supply, water quality, and demand are not adequately analyzed in the DEIR | <p>As summarized in the bullets below, the DEIR does not accurately characterize potential impacts to NID's water supply and water quality, and its conclusion that impacts to surface water supply and quality would be less than significant is therefore conclusory in nature.</p> <ul style="list-style-type: none"> <li>The DEIR does not correctly estimate NID's water supply for several reasons. First, water supply in Section 4.16 (Utilities and Service Systems) of the DEIR is inconsistent with NID's Urban Water Management Plan (UWMP) (NID 2015). Table 4.16-4 in the DEIR calculates available water supplies in an average/normal year at 477,846 acre-feet per year (AFY). However, as shown in Table 5-8 of the UWMP, this volume (not including recycled water) is equivalent to NID's <u>total right and safe yield</u> in 2015 rather than its reasonably available supply. Table 5-8 shows the actual volume captured in 2015 was 202,667 AFY. Table 5-9 of the UWMP shows the more appropriate projected total reasonably available volume in a normal (average) year, considering actual water availability and infrastructure constraints (and not considering recycled water,</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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|  | <p>which was excluded from consideration in the DEIR), is actually 358,900 AFY. Additionally, water demand in a normal water year is 178,919 AFY, leaving a total reasonably available volume of only 179,981 AFY.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | J-13<br><i>cont'd</i> |
|  | <ul style="list-style-type: none"> <li>The DEIR further fails to disclose effects of increased demand through population growth and reduced supply in dry or multiple dry years that are clearly demonstrated in the "Reliability Assessment" Chapter 6 of the UWMP. While the DEIR states that "the large volume of NID supplies indicates that although there is variability in dry years, there are adequate supplies available to meet the various needs in this part of Nevada County"; however, Tables 6.5 and 6.6 of the UWMP show a deficit of 6,910 AFY during dry and multiple dry years by 2040. This shortfall would be more than doubled, considering that additional water demands potentially generated by the NCCO are not included in the 2015 UWMP.</li> </ul> | J-14                  |
|  | <ul style="list-style-type: none"> <li>NID's UWMP anticipated an annual growth rate of 2.4% as established in Table 2-3. The DEIR anticipates an increase in total water demand within NID's service area of 8,222.3 AFY. This is an increase of roughly 7% in demands. This projected increase was not anticipated in the Districts planning and development documents and will ultimately lead to an underestimation in the planning documents that were utilized in the development of the DEIR.</li> </ul>                                                                                                                                                                                                                                                                   | J-15                  |
|  | <ul style="list-style-type: none"> <li>The District's multiple planning documents including the UWMP, the Raw Water Master Plan, and the Ag Water Management Plan anticipated a growth rate of roughly 2%. The additional demand anticipated in the DEIR will result in accelerated conveyance system upgrades to accommodate increased demands.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                      | J-16                  |
|  | <ul style="list-style-type: none"> <li>The DEIR also does not consider the effects of increased demands and reduced water supply in relation to NID's Drought Contingency Plan. The primary objective of the Drought Contingency Plan is to identify water supply shortages, water demand reduction goals, and to recommend demand management measures. Increased demand under the NCCO could therefore result in the need to increase the stage and frequency of implementation of the District's Drought Contingency Plan resulting in more frequent mandatory water reductions for all.</li> </ul>                                                                                                                                                                            | J-17                  |
|  | <ul style="list-style-type: none"> <li>The DEIR incorrectly states that "NID has indicated that although there is variability in dry years, there are ample supplies available to meet the various needs in this part of Nevada County –</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | J-18                  |

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|                           | <p>including potential additional cannabis cultivation” (Appendix E, Water Supply Evaluation page 3-13) and that “NID has indicated that within their service area, they have adequate capacity to serve their existing customers for cultivation demands” (DEIR, page 4.8-34). On the contrary, in early scoping meetings including a group meeting at NID headquarters on 8/20/2018, NID specifically expressed concern regarding their potential to meet additional water demands resulting from commercial cannabis cultivation.</p> <ul style="list-style-type: none"> <li>• Section 4.8 (Hydrology and Water Quality) of the DEIR acknowledges that adoption and implementation of the NCCO could result in a substantial depletion of aquifers and/or groundwater shortages and a reduction in water availability for existing users and typical non-cannabis cultivation related demands, thus resulting in a significant impact to groundwater. The DEIR, however, fails to disclose and consider the potential for increased demand for NID’s surface water as well users look for alternate supply that could result from decreased groundwater supplies.</li> <li>• NID is concerned with impacts to surface and ground water quality that have been associated with large/commercial cannabis operations and associated use of petrochemical based products, rodenticides, and other hazardous products. NID’s water supply originates in the watersheds where much of the cannabis cultivation may occur, which poses a direct threat to surface water quality that will flow to the reservoirs, rivers, canals, and drainages that comprise the water system.</li> </ul> <p>As described above, a lead agency must recirculate an EIR when significant new information is added. “Significant new information” includes those cases where a DEIR is “basically inadequate and conclusory in nature” thereby precluding meaningful public review and comment (Mountain Lion Coalition v. Fish and Game Commission (1989) 214 Cal.App.3d 1043), as documented in these comments. NID is therefore requesting recirculation of the applicable chapters of the EIR (e.g., 4.8, Hydrology and Water Quality and 4.16, Utilities and Service Systems) to more accurately describe potential impacts to NID’s water supply.</p> | <p>J-18<br/>cont’d</p> <p>J-19</p> <p>J-20</p> <p>J-21</p> |
| <b>Cumulative Impacts</b> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                            |
|                           | <p>NID requests that the discussion of cumulative impacts related to water supply include consideration of future District water supply obligations (e.g., minimum instream flows) that will be required upon the Federal</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <p>J-22</p>                                                |

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p>Energy Regulatory Commission's (FERC's) issuance of the new license for the Yuba-Bear Hydroelectric Project (FERC No. 2266).</p> <p>Establishment of sub watershed density thresholds would be a practical tool in avoiding cumulative effects of cannabis-related cultivation impacts that could extend far beyond a cultivation site, and could be used in allowing or denying permit applications.</p> <p>In addition, cumulative impacts should be revised and recirculated as necessary considering NID's requested revisions to Sections 4.8, Hydrology and Water Quality and 4.16, Utilities and Service Systems described previously.</p> |
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J-22  
cont'd

J-23

J-24

Overall, the District's comments are substantial in nature; therefore, as described in Section 15088.5 of the CEQA Guidelines, we must reiterate that a lead agency must recirculate an EIR (or pertinent sections of an EIR) when significant new information is added to the EIR after public notice is given after the availability of the DEIR for public review under Section 15087 but before certification. "Significant new information" includes those cases where a DEIR is "basically inadequate and conclusory in nature" thereby precluding meaningful public review and comment <sup>[1]</sup> as we feel we have adequately documented in the table above.

J-25

If you have any questions concerning this response, please feel free to contact me at (530) 273-6185 ext. 282.

Respectfully submitted,



Armon "Chip" Close  
 Nevada Irrigation District  
 Water Operations Manager  
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<sup>[1]</sup> *Mountain Lion Coalition v. Fish and Game Commission* (1989) 214 Cal.App.3d 1043

## Response to Comment Letter J - Nevada Irrigation District (NID)

**Response to Comment J-1:** The commenter for Nevada Irrigation District (NID) provides introductory remarks and notes they appreciate the opportunity to comment. The commenter states that NID participated in scoping meetings but some of their concerns were not addressed. The introduction notes a table immediately following this statement contains specific comments. Those comments are discussed in the following responses. This comment was introductory in nature, and no environmental issues or concerns were raised. No further response is necessary.

**Response to Comment J-2:** The commenter notes that the language of the proposed Nevada County Commercial Cannabis Cultivation Ordinance (NCCO) is not consistent with the project that was discussed in the DEIR and the full text of the NCCO was not provided. The commenter notes that NID used the August 31, 2018 version of the NCCO located on the County website. The commenter is referred to **Response to Comment C-3**, which provides a full response to concerns raised. The full text of the proposed NCCO is provided in Attachment A. No further response is required.

**Response to Comment J-3:** The commenter discusses specific differences between the NCCO and the project described in the EIR. The commenter calls out discrepancies related to the basic descriptions of cultivation and cultivation types allowed under an Administrative Development Permit (ADP), Cannabis Cultivation Permit (CCP), Annual Cannabis Permit (ACP), and the language describing a Conditional Use Permit (CUP). The commenter is correct that there are differences between the DEIR and the August 31, 2018 draft NCCO. The language describing the proposed NCCO in *Section 3.0 Project Description* is the most current and is the version upon which the proposed project was evaluated.

The commenter is referred to **Response to Comment J-2, C-3**, and Page 3-4 of *Section 3.0 Project Description*, which provide additional detail regarding the process involved in drafting the NCCO and the subsequent changes to the NCCO. The commenter also is referred to pages 3-3, 3-5, 3-22, and 3-34 through 3-35 of *Section 3.0 Project Description*, which has been revised for clarity in relation to the permit types and the permitting process based on this and other comments received.

**Response to Comment J-4:** The commenter cites State CEQA Guideline 15124, which sets forth the requirements for an adequate project description. The commenter quotes CEQA Case law *County of Inyo v. City of Los Angeles*, and quotes portions pertaining to needed accuracy in the project description to fully evaluate impacts and that it is an essential part of the EIR and so that it will be meaningful to the public, reviewers, and decision makers.

The commenter is correct in the comments regarding what State CEQA Guideline § 15124 and court case citation require. In its entirety, State CEQA Guidelines 15124 states the following:

### 15124. PROJECT DESCRIPTION

The description of the project shall contain the following information but should not supply extensive detail beyond that needed for evaluation and review of the environmental impact.

- (a) The precise location and boundaries of the proposed project shall be shown on a detailed map, preferably topographic. The location of the project shall also appear on a regional map.

- (b) A statement of the objectives sought by the proposed project. A clearly written statement of objectives will help the lead agency develop a reasonable range of alternatives to evaluate in the EIR and will aid the decision makers in preparing findings or a statement of overriding considerations, if necessary. The statement of objectives should include the underlying purpose of the project.
- (c) A general description of the project's technical, economic, and environmental characteristics, considering the principal engineering proposals if any and supporting public service facilities.
- (d) A statement briefly describing the intended uses of the EIR.
  - (1) This statement shall include, to the extent that the information is known to the Lead Agency,
    - (A) A list of the agencies that are expected to use the EIR in their decision making, and
    - (B) A list of permits and other approvals required to implement the project.
    - (C) A list of related environmental review and consultation requirements required by federal, state, or local laws, regulations, or policies. To the fullest extent possible, the lead agency should integrate CEQA review with these related environmental review and consultation requirements.
  - (2) If a public agency must make more than one decision on a project, all its decisions subject to CEQA should be listed, preferably in the order in which they will occur. On request, the Office of Planning and Research will provide assistance in identifying state permits for a project.

In regard to § 15124 sub (a): The project location and boundaries are described in detail in subsection 3.1.2 Environmental Setting in *Section 3.0 Project Description* beginning on page 3-5 and ending on page 3-11. These pages describe in detail the regional location, project location, as well as sub regions within Nevada County. *Figure 1: Regional Location Map*, and *Figure 2: Vicinity Map* also are provided per State CEQA Guidelines.

In regard to § 15124 sub (b): The project objectives are defined in subsection 3.1.4 Project Objectives of *Section 3.0 Project Description* beginning on page 3.-20. This page identified State CEQA Guideline § 15124(b) and the associated requirements of including project objectives. The project objectives include a list of eight specific bulleted objectives. The DEIR states the underlying purposes of the proposed NCCO is, "The underlying purpose of the proposed NCCO is to establish a regulatory framework for both the commercial cultivation of cannabis and cultivation of cannabis for personal use within Nevada County."

In regard to § 15124 sub (c): The projects characteristics are described in detail in subsection 3.1.5 Description of the Proposed Ordinance in *Section 3.0 Project Description*. Beginning on page 3-21, subsection 3.1.5 Description of the Proposed Ordinance defines in part, the existing cultivation operations and the intent of the project. This page states that through adoption of the proposed NCCO it the intent to remedy some of the environmental impacts that could result from such operations. This section further describes the types of commercial cultivation that would be authorized, including indoor, mixed-light, and outdoor cultivation and the associated technical aspects, as well as the particular details and requirements to which projects under each permit type, an ADP, CCP, and ACP must conform. This section, as well as

other within *Section 3.0 project Description* (including but not limited to subsection 3.1.3 beginning on page 3-41 through page 4-36 under the heading, “Sensitive Sites Setting” also defines the environmental characteristic and considerations.

In regard to sub (d) and sub levels (1) (A)(B)(C), and (2), pages 3-1 in and page 3-46 in subsection 3.1.6 Future Entitlements specifically reference the intended use of the DEIR. Page 3-46 also references *Section 1.0 Introduction* and *Section 2.0 Executive Summary*, which also define the intended use of the DEIR. Page 3-46 also describes the County’s role as Lead Agency. This section has been revised to include information provided by California Department of Food and Agriculture (CDFA) to clarify and explain the CDFA’s role as a secondary level of environmental protection. Subsection 3.1.7 Program EIR Discretionary Actions beginning on page 3-47 and ending on 3-49 lists the local, state and federal agencies with discretionary authority and from which permits may be needed are listed. Lastly, the subsequent permitting process is clearly defined throughout the pages of *Section 3.0 Project Description* as applicable, but specifically noted on page 3-5 under the subheading, “Permitting.”

The County understands that the commenters concern regarding the project description likely extends from the confusion related to the revisions that have occurred to the NCCO largely in response to public and stakeholder concerns, some of which have occurred during the writing of the DEIR. The commenter is referred to **Response to Comment J-2, C-3**, and Page 3-4 of *Section 3.0 Project Description*, which provide additional detail regarding the process involved in drafting the NCCO and the subsequent changes to the NCCO and project description.

**Response to Comment J-5:** The commenter reiterates that the language of the proposed NCCO is different than the language describing the proposed project in the DEIR. The commenter requests the DEIR be updated to be consistent. The commenter refers to State CEQA Guideline § 15088.5 regarding recirculation of a DEIR when significant new information is added and that if that new information is considered to be substantive the DEIR should be recirculated. The commenter then requests recirculation of the DEIR.

In regard to changes that have been made to *Section 3.0 Project Description*, the County does not believe any changes would rise to the level of demanding recirculation of the document. Changes have been made for points of clarification, but the elements of the proposed project remain the same. The commenter is referred to Response to Comment J-4, above for a discussion of the project description and how it, in detail, fulfills each requirement contained in State CEQA Guideline § 15124. As discussed, the County has noted that certain revisions have been made to increase clarity and consistency and to be responsive to, in particular, comments received from CDFA other agencies and members of the public. These revisions, however, refer to administrative items, or other requirements that only serve to increase environmental protections.

The commenter also is referred to **Response to Comment J-2, J-4, J-10, J-11, and C-3**.

**Response to Comment J-6:** The commenter notes that the DEIR relies on state permitting to mitigate impacts and provides an example that future cultivation projects would be required to comply with the State Water Resources Control Board (SWRCB) cannabis general order as described in *Section 3.8 Hydrology and Water Quality*. NID comments that the county has not adequately addressed its ability to verify ongoing compliance with the permitting requirements. The commenter further notes that the CDFA

CalCannabis license applicant requires documentation of enrollment in the SWRCB's applicable waste discharge program and SWRCB has primary enforcement and must notify CDFA of any enforcement actions taken.

The commenter is correct that in some instances, specifically pertaining to water quality, the County does rely on the state permitting process. *Section 3.8 Hydrology and Water Quality* describes the permitting process required through the SWRCB, permitting process, and requirements of certain Tiers and level of risk designations. As discussed by the commenter, the County would require all applicants to show compliance with all of SWRCB's water quality standards. The commenter also is correct that this is a component of all ADPs, CCPs, and is an ongoing requirement for continued issuance of an ACP. The commenter is referred to **Response to Comments C-2, C-6, and C-18**, which were prompted by comments received from CDFA. Based on these comments, language to the regulatory setting regarding the revised and newly adopted CDFA regulations, has been added to the DEIR. This language defines additional layers of environmental protection that would be required of all cultivation projects, on an on-going basis, through the life of the project.

**Response to Comment J-7:** The commenter notes the mechanisms in place to ensure water quality and restates the SWRCB policies related to monitoring and the commenter notes Tiers 1, 2, and 3 and the monitoring requirements. The commenter questions that there because there may be a large number of Tier 1 cultivators and they may not, depending on other variables, such as slope, be required to do annual self-monitoring or reporting under the General Order. The Commenter questions, under these circumstances, the protection of water quality.

The commenter is correct that the County would utilize the process defined by SWRCB in the Cannabis General Permit ORDER WQ 2017-0023-DWQ to ensure water quality is protected. It should be noted that all cultivators Tier 1 and Tier 2 included are required to enroll under the General Order. In addition, under all conditions both Tier 1 and Tier 2 enrollees are required to implement a Site Management Plan, which is discussed in additional detail below. In addition, the commenter is referred to Master Response 3 which discusses the application checklist for both CCP and ADP applications. The full text of the checklists is provided in Appendix B to the FEIR.

As defined on page 3-35 through 3-39 of *Section 3.0 Project Description* the permitting process and requirements for each permit type ADP, CCP, and ACP is described, and pages 4.8-15 through 4-19 define the SWRCB permitting process and requirements it places on project applicants. In addition, beginning on page 4.8-25, based on comment from CDFA, the section has been revised to include additional detail regarding CDFA requirements and the permitting process.

More specifically, *Section 4.8 Hydrology and Water Quality* has been revised to include the specific requirements of the CDFA guidelines adopted January 16, 2019. These revisions relate to enrollment in an order of water of waste discharge requirements; submission of lake and streambed alteration agreements (LSAA), compliance with §13149 of the Water Code, suspension of license by CDFA, conformance to required protocols, compliance with related conditions requested by California Department of Fish and Wildlife (CDFW), and an identification of all water sources.

Section § 8102 – (p) of the CDFA regulations, which is included to the FEIR, required that for all cultivator license types except Processor, evidence of enrollment in an order or waiver of waste discharge

requirements with the State Water Resources Control Board or the appropriate Regional Water Quality Control Board. Acceptable documentation for evidence of enrollment can be a Notice of Applicability letter. Acceptable documentation for a Processor that enrollment is not necessary can be a Notice of Non-Applicability.

As required to obtain the SWRCB permit and to stay in compliance with the General Order, all applicants who would not be exempt based on cultivation square footage would be required to prepare a Site Management Plan that includes the description and implementation of Best Practicable Treatment or Control (BPTC), a Site Erosion and Sediment Control Plan, and a Disturbed Area Stabilization Plan. Monitoring efforts can also be tailored based on the determined risk factors of the cultivation sites, will be verified by continued completion of technical reports. In addition, in accordance with Attachment B of the General Order, all cultivation projects will be required to comply with the Monitoring and Reporting Program issued pursuant to Water Code § 13267. As shown in the General Order as quoted from § 13267:

“in relevant part: (b)(1) In conducting an investigation ..., the regional board may require that any person who has discharged, discharges, or is suspected of having discharged or, discharging, or who proposes to discharge waste within its region . . . shall furnish, under penalty of perjury, technical or monitoring program reports which the regional board requires. The burden, including costs, of these reports shall bear a reasonable relationship to the need for the report and the benefits to be obtained from the reports. In requiring those reports, the regional board shall provide the person with a written explanation with regard to the need for the reports and shall identify the evidence that supports requiring that person to provide the reports.

Tier 1 and Tier 2 enrollees are required to submit technical and monitoring reports. The reports include certifying completion of winterization measures, certification of the facility tier status, and for higher risk tiers, nitrogen management status. The technical reports and monitoring reports are necessary to assure compliance with this General Order. The burden and cost of preparing the reports is reasonable and consistent with the interest of the state in maintaining water quality.”

Further related to ongoing monitoring efforts, as prescribed by CDFA Article 6. Inspections, Investigations, and Audits, all cultivation projects that would occur under the proposed NCCO would be subject to inspections that may be conducted by the department in coordination with the California Department of Fish and Wildlife and the State Water Resources Control Board consistent with section 12029, subdivision (c) of the Fish and Game Code.

The County agrees with the commenter that the SWRCB has the primary responsibility regarding enforcement responsibilities for the General Order and must notify CDFA. The County believes that the brief summarization found above of some of the stringent requirements related to water quality protection will be adequate to ensure water quality is protected. In addition, the County fully intends to be transparent with all applications, fully investigate all cannabis complaints, work closely with local cultivators, as well as the monitoring branches of the SRWCB, Central Valley RWQCB, and Lahontan RWQCB to ensure water quality is protected.

**Response to Comment J-8:** The commenter states that according to State CEQA Guidelines § 15126.4(2) that mitigation must be fully enforceable through permit conditions, agreements, or other legally binding instruments. The commenter requests that additional mitigation measures be implemented, and that the County adopt and County Level monitoring program.

The commenter is correct that State CEQA Guidelines do require mitigation to be enforceable through agreements or other legally binding instruments. This section of CEQA goes on to state, “In the case of the adoption of a plan, policy, regulation, or other public project, mitigation measures can be incorporated into the plan, policy, regulation, or project design.”

The commenter is referred to **Response to Comment J-7**. Inherent to the process of commercial cannabis cultivation the applicants will be required to submit applications to the SWRCB General Permit as described above. This will inherently be part of the proposed project. No further response is required.

**Response to Comment J-9:** The commenter notes that additional environmental impacts due to fragmented watersheds, expansion of unpaved roads, and long-term impacts to water quality. It is unclear in what context the commenter is referring to watershed fragmentation. If the commenter is referring to watershed fragmentation as the, “plethora of boundaries associated with governances, policies and regulations are not aligned to the natural boundaries of a watershed. The proposed project is not attempting to divide or alter the natural boundaries of any watershed nor is that a proposal within the proposed NCCO. Additionally, water to supply all commercial cannabis cultivation sites would be sourced by permitted suppliers, or from existing on-site sources such as diversions, wells, or rainwater catchment. None of these water uses would result in fragmentation of a watershed.

The County also notes that the commenters reference to watershed fragmentation may be in reference to aquatic fragmentation. According to the University of California at Davis California (UC Davis) Water Sustainability website, aquatic fragmentation in a watershed or hydrologic region is, “when streams are crossed by roads or dams, the portions above and below the potential barrier are separated from each other in a process called fragmentation. This can interfere with physical processes and movement of aquatic organism.” More specifically, they note, “Aquatic fragmentation is the potential hydrologic alteration caused by diverse type of structures, such as dams, weirs, drop structures, and other man-made systems that modify hydrologic flow (UC Davis, 2019).

As proposed, the project would not result in any new roads, dams, instream structures, such as weirs, or drops that would modify hydrologic flow. It is possible that some future projects may incorporate some of these uses. As part of these projects, and as addressed in **Response to Comment J-6** and **J-7**, all projects would require permitting with SWRCB including preparation of a Site Management Plan and for both Tier 1 and Tier 2 of moderate risk a Site Erosion and Sediment Control Plan would be required. These, in addition to requirements related to LSAA for stream crossing or any other work that would disturb waters, for both a Tier 1 and Tier 2 project, a Disturbance Area Stabilization Plan would be required. This would ensure that water flow regimes are maintained, and that no habitat fragmentation would occur, and that long-term water quality is protected.

In regard to the expansion of unpaved roads, it is possible that new roads would be constructed to some areas of new cultivation. However; with the way the proposed NCCO is structured and as a part of the overall environmental review process, the potential for impacts as part of road extension would be

evaluated on a case-by-case basis as part of future project review. As part of the CCP and ADP Application Process, questions regarding existing roads and access are included. This would ensure the County staff can review site accessibility and request additional environmental review to make sure projects would meet all accessibility standards. If the County determines that mitigation or conditions of approval are required, they would be included to the proposed project and subsequent CEQA analysis for projects.

**Response to Comment J-10 and J-11:** The commenter is requesting recirculation of pertinent chapters of the EIR, specifically Section 4.8 Hydrology and Water Quality due to the presence of significant new information and the fact that new mitigation would be required. The commenter cites State CEQA Guidelines §15088.5 and §15087 as a basis for this request.

According to State CEQA Guideline § 15088.5, “new information added to an EIR is not “significant” unless the EIR is changed in a way that deprives the public of a meaningful opportunity to comment upon a substantial adverse environmental effect of the project or a feasible way to mitigate or avoid such an effect (including a feasible project alternative) that the project’s proponents have declined to implement.”

The County has received in sum 24 comment letter from the public, agencies, and other stakeholders including NID. Based on these comments, which is in part the intent of CEQA, changes or modifications have been included to the FEIR. These changes and modifications have been made in an attempt to clarify and in some instances strengthen the environmental protections through changes and alterations to the proposed project including the addition of mitigation. This is not an example of denying the public a meaningful opportunity to comment, but rather it is an example of giving the public a reasonable opportunity to comment in a meaningful way. This is exemplified by the County responding to many comments by revising and making clarifying changes to the FEIR, and in some cases adding or bolstering the strength of the environmental review process, adding mitigation, and clarifying impacts to ensure that environmental protections are in place. Indeed, a key purpose of the comments process is to bring to the attention of the lead agency issues concerning the adequacy of the Draft EIR. The responses to comments contained in the Final EIR are an integral part of an EIR’s substantive analysis of environmental issues and that applies with equal force to this Draft EIR.

In addition, there are no changes to the FEIR or new mitigation that the County is declining to adopt such that recirculation is required. There are no new significant environmental impacts that would result from the project. As discussed above, the inclusion of clarifying information and additional mitigation serve to further reduce impacts to ensure impacts remain as previously disclosed or are further reduced.

Therefore, recirculation of the DEIR is not required for these reasons.

**Response to Comment J-12:** Nevada Irrigation District is correct in noting that the numbers presented in those documents did not portray water portfolio as it had been presented in NID’s final 2015 Urban Water Management Plan. Accordingly, the following changes have been made Table 4-16-4 in the DEIR:

**Table 4.16-4: NID Available Water Supplies**

| Supply            | Average/<br>Normal<br>af/yr | Single Dry<br>af/yr | Multiple Dry Water Years |                 |                 |                 |
|-------------------|-----------------------------|---------------------|--------------------------|-----------------|-----------------|-----------------|
|                   |                             |                     | Year 1<br>af/yr          | Year 2<br>af/yr | Year 3<br>af/yr | Year 4<br>af/yr |
| Watershed Runoff  | 221,500                     | 77,378              | 223,069                  | 89,763          | 120,041         | 77,378          |
| Carryover Storage | 129,400                     | 107,330             | 140,310                  | 137,195         | 117,500         | 107,330         |
| PG&E Contract     | 8,000                       | 16,003              | 2,882                    | 4,367           | 13,744          | 16,003          |
| <b>Total</b>      | <b>358,900</b>              | <b>200,711</b>      | <b>366,261</b>           | <b>231,325</b>  | <b>251,285</b>  | <b>200,711</b>  |

The incongruous correlation between the water demands associated with cannabis production depicted in this document with NID's available supply portfolio must also be reconciled. Like other regions described in the DEIR, the surface water rights and groundwater supplies that are separated from NID's surface water supply portfolio are uncertain.

However, additional items should be considered in light of this finding. First, the total demands resulting from cannabis cultivation on the identified water supply systems have been presented as additive to existing demands on the system rather than as potentially replacing some or all of the existing demands on the system. This characterization was considered in order to present the most taxing scenario on water supplies in Nevada County that could possibly result from the ordinance – even if those outcomes are unlikely. Second, out of an abundance of caution, the demand calculations did not fully integrate all setback criteria on designated lots in order to present the most significant demand increases that could be potentially made in the service area. For these reasons, the correlation between available supplies and potential demands depict the maximum environmental impacts situation.

NID's UWMP indicates that there are insufficient supplies to meet NID demands by the year 2040 based upon anticipated growth in demand in the NID service area. These increased demands are attributable to increased agricultural and urban water use in NID's service area. Cannabis cultivation may place demands on NID's water sources either replacing existing demands or adding new demands. NID has discretion on how additional demands, if any, may be added to its water system.

Finally, NID's customers are subject to NID's own rules and regulations. There is nothing in the DEIR that indicates that NID must serve any entity that chooses to grow cannabis in NID's service area. The NID has the ability to preclude new customers to its system through its application and permitting processes. NID process is in place in order to determine whether supplies are available to meet new demands and, even if some additional water supply may be available to meet a new demand, to condition its water supply permits "based on water supply availability." In this way, NID is empowered with limiting the total demand on its system based on its normal administrative and substantive duties. The DEIR does not mandate service or otherwise supersedes NID's ability to control how it serves water and how much water it serves to its customers. Accordingly, in light of the conservative demand calculations and NID's inherent authorities, NID may choose not to serve any water for cannabis cultivation or any other form of additional cultivation and thus, the impacts to NID's supplies are considered less than significant.

**Response to Comment J-13:** The commenter states that the DEIR does not correctly estimate NID's water supply for several reasons. First, water supply in Section 4.16 (Utilities and Service Systems) of the DEIR is inconsistent with NID's Urban Water Management Plan (UWMP) (NID 2015). Table 4.16-4 in the DEIR

calculates available water supplies in an average/normal year at 477,846 acre-feet per year (AFY). However, as shown in Table 5-8 of the UWMP, this volume (not including recycled water) is equivalent to NID's total right and safe yield in 2015 rather than its reasonably available supply. Table 5-8 shows the actual volume captured in 2015 was 202,667 AFY. Table 5-9 of the UWMP shows the more appropriate projected total reasonably available volume in a normal (average) year, considering actual water availability and infrastructure constraints (and not considering recycled water, which was excluded from consideration in the DEIR), is actually 358,900 AFY. Additionally, water demand in a normal water year is 178,919 AFY, leaving a total reasonably available volume of only 179,981 AFY.

The comment is noted, and the commenter is referred to Response J-12. The dry year water supply figures depicted in Appendix E and the DEIR were inconsistent with NID's most recent water planning documents and have been updated.

**Response to Comment J-14:** The commenter states that the DEIR fails to disclose effects of increased demand through population growth and reduced supply in dry or multiple dry years that are clearly demonstrated in the "Reliability Assessment" Chapter 6 of the UWMP. While the DEIR states that "the large volume of NID supplies indicates that although there is variability in dry years, there are adequate supplies available to meet the various needs in this part of Nevada County"; however, Tables 6.5 and 6.6 of the UWMP show a deficit of 6,910 AFY during dry and multiple dry years by 2040. This shortfall would be more than doubled, considering that additional water demands potentially generated by the NCCO are not included in the 2015 UWMP.

The comment is noted, and the commenter is referred to Response J-12. Water supplies in Region 1 need not be solely derived from NID's water assets as the water supplies available in the region include existing water supply appropriations and potential future surface water appropriations that would be subject to California's water governance rules. Moreover, groundwater is also available for use in the Region 1. Thus, concluding that all water supplies that would be used to meet cannabis cultivation demands would be derived from Nevada Irrigation District's surface water supply sources is speculative.

The total demands from cannabis production are presented as the highest demands possible for cannabis cultivation. It is more likely than not that many of the lots would be ineligible for cannabis cultivation due to the setback restrictions. Moreover, a number of existing irrigated parcels could transition existing crops to cannabis, resulting in a much lower potential impact on the available water supplies. Out of an abundance of caution, all demands in Region 1 are presented as additive to existing demands.

In the unlikely event that all water supplies used for cannabis cultivation are derived from NID water supplies, all cannabis use would be subject to NID's rules and regulations, including NID's shortage criteria. NID projects a long-term water supply shortage in certain dry years. This projection indicates that NID's long term supplies may not be sufficient to meet NID's long-term demands. The Table below presents the 2040 projections from the 2015 NID UWMP.

| 2040 Projections | Average/<br>Normal<br>af/yr | Single Dry<br>af/yr | Multiple Dry Water Years |                 |                 |                 |
|------------------|-----------------------------|---------------------|--------------------------|-----------------|-----------------|-----------------|
|                  |                             |                     | Year 1<br>af/yr          | Year 2<br>af/yr | Year 3<br>af/yr | Year 4<br>af/yr |
| Supply *         | 358,900                     | 200,711             | 366,261                  | 231,355         | 251,285         | 200,711         |
| Demand           | 209,521                     | 209,521             | 209,521                  | 209,521         | 209,521         | 209,521         |
| Difference       | 149,379                     | -8,810              | 156,740                  | 21,834          | 41,764          | -8,810          |

\*recycled supply and full PG&E contract availability is not included in this analysis

As shown, there is an existing shortage projected for the driest years in 2040 per NID's 2015 UWMP. The following table presents this difference with the maximum possible cannabis production included.

| 2040 Projections | Average/<br>Normal<br>af/yr | Single Dry<br>af/yr | Multiple Dry Water Years |                 |                 |                 |
|------------------|-----------------------------|---------------------|--------------------------|-----------------|-----------------|-----------------|
|                  |                             |                     | Year 1<br>af/yr          | Year 2<br>af/yr | Year 3<br>af/yr | Year 4<br>af/yr |
| Supply *         | 358,900                     | 200,711             | 366,261                  | 231,355         | 251,285         | 200,711         |
| Demand           | 209,521                     | 209,521             | 209,521                  | 209,521         | 209,521         | 209,521         |
| Cannabis Demand  | 8,222                       | 8,222               | 8,222                    | 8,222           | 8,222           | 8,222           |
| Difference       | 141,157                     | -17,032             | 148,518                  | 13,612          | 33,542          | -17,032         |

\*recycled supply and full PG&E contract availability is not included in this analysis

NID's existing shortage condition could only be exacerbated with NID approving use of additional NID water supplies for cannabis cultivation through its normal application and permitting processes. These processes, however, allow NID to condition supply availability to any water service applicant or to reject any new water service request. Given that the NID supply and demand projections already anticipate a water supply shortage, the additional cannabis demands do not change the future projected shortage conditions unless NID approves applications to deliver new water supplies to new customers. As such, the impact of less than significant still applies to potential water service deliveries in Region 1 (NID service area).

**Response to Comment J-15:** The commenter states that NID's UWMP anticipated an annual growth rate of 2.4% as established in Table 2-3. The DEIR anticipates an increase in total water demand within NID's service area of 8,222.3 AFY. This is an increase of roughly 7% in demands. This projected increase was not anticipated in the Districts planning and development documents and will ultimately lead to an underestimation in the planning documents that were utilized in the development of the DEIR. <sup>11</sup>SEP

The commenter is noted, and the commenter is referred to **Response to Comment J-12**. As the analysis of the WSA assumed all UWMP described development would continue, the water demands associated with cannabis production were considered additive. Demands associated with cannabis production were estimated on the maximum available demands associated with the existing land uses in Nevada County. Demands within NID's service area may be completely additive to the existing demands in this region or may replace existing water demands in this region. For example, someone growing an agricultural crop

may replace this crop with cannabis cultivation. Further, assuming that all demands would be met with NID surface water supplies is speculative. Nothing in this document is intended to require NID to develop conveyance or other items that it would not otherwise be managing under its jurisdictional authorities and Board actions.

**Response to Comment J-16:** The commenter states that the District's multiple planning documents including the UWMP, the Raw Water Master Plan, and the Ag Water Management Plan anticipated a growth rate of roughly 2%. The additional demand anticipated in the DEIR will result in accelerated conveyance system upgrades to accommodate increased demands.

The comment is noted, and the commenter is referred to **Response to Comment J-12**. The additional demands in the Area 1 could be met by surface supplies and groundwater supplies that are not derived from NID water assets. Furthermore, cannabis production in Area 1 may replace existing demands rather than be considered additive to those demands. As such, assuming that the demands would be attributed to NID's water system and require improvements or additions to its conveyance system is speculative.

**Response to Comment J-17:** The states that DEIR also does not consider the effects of increased demands and reduced water supply in relation to NID's Drought Contingency Plan. The primary objective of the Drought Contingency Plan is to identify water supply shortages, water demand reduction goals, and to recommend demand management measures. Increased demand under the NCCO could therefore result in the need to increase the stage and frequency of implementation of the District's Drought Contingency Plan resulting in more frequent mandatory water reductions for all. [REDACTED]

The comment is noted, and the commenter is referred to **Response to Comment J-12**. Assuming that any of the demands associated with the cannabis production would be attributable to NID is speculative as there are alternative water supplies in Area 1 that are unrelated to NID's water supplies. If the cannabis cultivation demands replaced existing demands on NID's water system, then the impacts to NID's Drought Contingency Planning would be negligible. In the event that the demands on NID's system are additive to existing demands and receive NID's approval for adding demand to NID's system, then those demands would need to be incorporated into the allocation mechanisms in NID's Drought Contingency Planning which is beyond the scope of this analysis.

**Response to Comment J-18:** The notes that the DEIR incorrectly states that "NID has indicated that although there is variability in dry years, there are ample supplies available to meet the various needs in this part of Nevada County -including potential additional cannabis cultivation" (Appendix E, Water Supply Evaluation page 3-13) and that "NID has indicated that within their service area, they have adequate capacity to serve their existing customers for cultivation demands" (DEIR, page 4.8-34). On the contrary, in early scoping meetings including a group meeting at NID headquarters on 8/20/2018, NID specifically expressed concern regarding their potential to meet additional water demands resulting from commercial cannabis cultivation.

The comment is noted, and the commenter is referred to **Response J-12**. NID's water system is capable under stable conditions of serving its existing customers. Service to additional customers that may increase demands on the system would be a consideration for NID's Board to determine. Nothing in this DEIR indicates that NID would be required to serve cannabis cultivations.

**Response to Comment J-19:** The commenter calls out Section 4.8 (Hydrology and Water Quality) of the DEIR and that it acknowledges that adoption and implementation of the NCCO could result in a substantial depletion of aquifers and/or groundwater shortages and a reduction in water availability for existing users and typical non-cannabis cultivation related demands, thus resulting in a significant impact to groundwater. The DEIR, however, fails to disclose and consider the potential for increased demand for NID's surface water as well users look for alternate supply that could result from decreased groundwater supplies.

The comment is noted. Projecting the potential for increased demand on NID's surface water supplies from individuals that choose to forego groundwater supplies – for any of a number of reasons – would be speculative.

**Response to Comment number: J-20:** the commenter states that NID is concerned with impacts to surface and ground water quality that have been associated with large/commercial cannabis operations and associated use of petrochemical-based products, rodenticides, and other hazardous products. NID's water supply originates in the watersheds where much of the cannabis cultivation may occur, which poses a direct threat to surface water quality that will flow to the reservoirs, rivers, canals, and drainages that comprise the water system.

The comment is noted, and the commenter is referred to **Response to Comment J-6, J-7, J-9, C-15 and C-18**. The SWRCB's Cannabis Cultivation Policy and regulations set forth by CDFA governs water quality issues associated with cannabis cultivation. Conformance with these requirements would help reduce impacts.

**Comment number: J-21:** The commenter states that a lead agency must recirculate an EIR when significant new information is added. "Significant new information" includes those cases where a DEIR is "basically inadequate and conclusory in nature" thereby precluding meaningful public review and comment (Mountain Lion Coalition v. Fish and Game Commission (1989) 214 Cal.App.3d 1043), as documented in these comments. NID is therefore requesting recirculation of the applicable chapters of the EIR (e.g., *Section 4.8, Hydrology and Water Quality* and *Section 4.16, Utilities and Service Systems*) to more accurately describe potential impacts to NID's water supply.

The comment is noted, and that commenter is referred to **Response to Comment J-5, J-9 and J-12**.

**Response to Comment J-22:** The commenter requests that the discussion of cumulative impacts related to water supply include consideration of future District water supply obligations (e.g., minimum instream flows) that will be required upon the Federal Energy Regulatory Commission's (FERC's) issuance of the new license for the Yuba-Bear Hydroelectric Project (FERC No. 2266).

The comment is noted. Assessing future conditions associated with NID's FERC relicensing is speculative and beyond the scope of this DEIR.

**Response to Comment J-23:** The commenter notes that establishing sub watershed density thresholds would be a practical tool in avoiding cumulative effects of cannabis-related cultivation impacts and could be used in allowing or denying permit applications.

The comment is noted. At this time, it is uncertain at which locations future cannabis cultivation will take place and what specific impacts those projects may have on watersheds, water resources, and

downstream effects. This project was written as an Program Environmental Impacts Report and as such, will rely on future environmental documents to further analyze site-specific impacts. For these future projects, per requirements of CDFA Regulation § 8102 (dd) all applicants will be required to provide evidence that a proposed cultivation premise is not located in a watershed that has been significantly adversely impacted by cannabis cultivation. This regulation has been added to *Section 4.8 Hydrology and Water Quality* and conformance with it as part of the future application process for both the County and to obtain a State Permit is anticipated to address the issue. The commenter also is referred to **Master Response 2** regarding the nature of PEIR's and the associated intent of the DEIR.

The commenter also is referred to **Response to Comment J-7** and **J-9** related to water quality impacts. The commenter also is referred to **Response to Comment C-15**, and **C-18**, which address comments received by California Department of Food and Agriculture (CDFA) and their regulations pertaining to water resources. Revisions to the FEIR have been made that reflect these requirements and further strengthen environmental protections for water resources and help ensure that impacts from future project would not exceed a reasonable watershed density threshold. As discussed, part of the purpose of using a PEIR for the proposed project was to enable detailed a site-specific analysis for the individual commercial cannabis cultivation sites within the County.

At the time future projects review, an analysis of the specific watershed in which the project is located can be made. All future projects, both under a CCP and ADP also would be required to show conformance with requirements set forth in Section L-II 4.3.3 General Provisions related to floodplains, steep slopes/high erosion potential, and watercourses, wetlands, and riparian areas. As needed, as to the extent said resources or constraints are impacted, mitigation measures and alternatives shall be incorporated into the project designs to avoid, minimize, or compensate for such impacts. Additionally, during the environmental review process, it is determined that a significant impact would result, the County would deny the permit. This would ensure that impacts do not exceed those previously discussed in the DEIR.

**Response to Comment J-24:** The commenter requests the DEIR be recirculated based and reiterates requested revisions to *Section 4.8 Hydrology and Section 4.16 Utilities and Services Systems*. The comment is noted, and the commenter is referred to **Response to Comment J-5, J-6, J-7, J-10, and J-11** regarding recirculation of the document.

**Response to Comment J-25:** The commenter reiterates the statement that the DEIR should be recirculated based on State CEQA Guideline §15088.5 and because significant new information and the DEIR is inadequate and conclusory in nature. The comment is noted, and the Commenter is referred to **Response to Comment J-5, J-6, J-7, J-10, and J-11** regarding recirculation of the document.



## SOUTH YUBA RIVER CITIZENS LEAGUE

February 25, 2019

Brian Foss, Planning Director  
 Planning Department  
 Community Development Agency  
 950 Maidu Avenue, Suite 170  
 Nevada City, CA 95959  
[planning@co.nevada.ca.us](mailto:planning@co.nevada.ca.us)

Re: SCH# 2018082023 Nevada County Commercial Cannabis Cultivation Ordinance DEIR Comments

Dear Mr. Foss:

The South Yuba River Citizens League (SYRCL) respectfully submits comments and recommendations in response to the Draft Environmental Impact Report (DEIR) released by the County of Nevada (County) regarding the Nevada County Commercial Cannabis Ordinance (NCCO) environmental review required by the California Environmental Quality Act (CEQA). SYRCL requests that these comments be received and addressed regarding the substance and adequacy of the DEIR in compliance with CEQA.

In this letter, we provide comments on the NCCO itself, the application of the baseline for determination of environmental impacts from cannabis cultivation in the unincorporated areas of Nevada County, and the adequacy of the DEIR including the following issues:

- NCCO General Concerns and Amendments
- DEIR One Hundred Percent Parcel Utilization Assumption
- DEIR Mitigation Measures, and
- DEIR No Groundwater Cultivation Alternative

SYRCL requests that the DEIR should incorporate the following recommendations and changes in order for the Final Environmental Impact Report (FEIR) to comply with CEQA.

### **I. Introduction**

SYRCL's vision is that well-regulated agriculture should not harm water quality, fish or wildlife, and their habitat within the Yuba River watershed. Inspired by that vision, SYRCL started the "Growing Green for the Yuba" (Growing Green) program in 2015. Through Growing Green, SYRCL staff and community partners have hosted a series of public workshops that have reached nearly 500 people in the community. The workshops feature a variety of Best Management Practices (BMPs) for the Yuba River watershed, regulatory updates, and issue-specific panels on environmental concerns such as forest

management, water use and conservation, water catchment and healthy soil.<sup>1</sup> Most recently, SYRCL received funding from the Central Valley Regional Water Quality Control Board (CVRWQB) and partnered with the Nevada County Cannabis Alliance (NCCA) to produce videos featuring local farmers and BMPs for soil management and water conservation.<sup>2</sup>

K-2  
cont'd

The purpose of an EIR is “to identify the significant effects on the environment of a project, to identify alternatives to the project, and to indicate the manner in which those significant effects can be mitigated or avoided,” before a project is approved.<sup>3</sup> The lead agency for the project must mitigate or avoid the significant effects on the environment from projects that it carries out or approves whenever feasible.<sup>4</sup> Moreover, the “purpose of an environmental impact report is to provide public agencies and the public in general with detailed information about the effect which a proposed project is likely to have on the environment.”<sup>5</sup>

K-3

SYRCL applauds the County for making a good faith effort to analyze, review and mitigate the environmental impacts of cannabis cultivation through the NCCO DEIR.

Unfortunately, the DEIR does not use a rational assumption of parcel utilization to analyze the environmental impacts from personal and commercial cannabis cultivation. This results in the County offering vague or no mitigation measures for a number of environmental impacts and proposing infeasible project alternatives that would increase negative environmental impacts to the Yuba River watershed. Accordingly, SYRCL recommends the County examine the comments below to amend the DEIR and the NCCO in order to satisfy the legal thresholds under CEQA and protect the Yuba River watershed. Specifically, the DEIR comments focus on proposed mitigation measures that encourage best management practices, and suggest specific ordinance amendments for the County to consider when preparing the FEIR and final NCCO for approval. These are substantive and substantial changes, which may require the County to recirculate the DEIR before issuing the FEIR and approval of the final NCCO.

K-4

Overall, SYRCL is concerned that if the County does not include a more reasonable assumption of parcel utilization and incorporate the following recommendations, the NCCO DEIR will not meet the legal thresholds required under CEQA.

## **II. The NCCO discourages legal cultivation, perpetuating known environmental impacts from illegal cultivation.**

SYRCL’s overarching concern is that the present version of the ordinance does not encourage legal cannabis cultivation and will result in the continuation of illegal, unregulated cannabis cultivation. Without effective implementation of the NCCO and community consensus, this DEIR will not be an accurate determination of the extent of environmental damage in the Yuba River watershed caused by continued illegal cannabis cultivation.

K-5

<sup>1</sup> Video recordings of those public workshops are available on SYRCL’s website.

<sup>2</sup> The video recordings are available on SYRCL’s website.

<sup>3</sup> Cal. Pub. Res. Code § 21000 et seq., at 21002.1(a).

<sup>4</sup> *Id.* at 21002.1(b).

<sup>5</sup> Cal. Code Regs. tit. 14, § 15201 (“CEQA Guidelines”).

As currently drafted, the NCCO encourages indoor commercial cannabis cultivation due to certain outdoor cultivation zoning bans, specifically in the Residential Agricultural zone (RA). Though SYRCL applauds the County’s intent to limit commercial cannabis cultivation to reduce environmental impacts, this overly restrictive ban incentivizes illegal cannabis cultivation to continue with well known negative environmental impacts. The NCCO must encourage appropriately located small scale legal outdoor cultivation with the available mitigation measures listed in the DEIR and these comments.

K-6

SYRCL recommends the County incorporate the following proposed amendments in the NCCO in order to meet the requirements of CEQA, increase the effectiveness of environmental mitigation and encourage more cannabis cultivators to come into compliance with this ordinance and state regulations.<sup>6</sup>

The first suggested amendment is for the NCCO to regulate outdoor cultivation in residential areas. The NCCO as currently drafted bans any outdoor or mixed light personal use cultivation in the parcels zoned residential or RA. SYRCL encourages the County to include environmental analysis of those existing grows as part of the FEIR and amend the NCCO to reflect existing cultivation in order to regulate it and protect the Yuba River watershed.

K-7

Second, SYRCL encourages the County to incorporate specific BMPs into the NCCO to provide guidance for cannabis cultivators when implementing land management plans to mitigate water quality and soil and erosion environmental impacts, as required by the NCCO. Practices such as integrated pest management, soil building with compost, and encouraging consistent testing of soil health to conserve water are all measures that could assist in effective implementation of land management plans as environmental mitigation for cannabis cultivation in Nevada County.<sup>7</sup>

K-8

Third, SYRCL recommends the County include in the “Findings and Purpose” section of the NCCO a tribute to the organic cultivation heritage of Nevada County, and the economically important specialty medical cannabis cultivation market.

K-9

Additionally, the NCCO as currently drafted does not encourage or support the small farm cultivation that is well known in this region.<sup>8</sup> SYRCL strongly encourages the County to change certain zoning and acreage limitations in order to promote transparency, disclosure and effective regulation of the existing cannabis cultivation in this community.

K-10

Finally, we suggest an amendment that would allow for medical cannabis cultivation to be given priority for approved local permits under the ordinance due to the health urgency and community service this particular product provides. This language would make the ordinance consistent with the state legislative intent articulated in MAUCRSA and Proposition 64 and provide additional incentive for legalization.

K-11

<sup>6</sup> See § 21081.6 (b) “Conditions of project approval may be set forth in referenced documents which address required mitigation measures or, in the case of the adoption of a plan, policy, regulation, or other public project, *by incorporating the mitigation measures into the plan, policy, regulation, or project design*” (emphasis added).

<sup>7</sup> The video recordings are available on SYRCL’s website.

<sup>8</sup> Specifically, the ordinance restricts personal outdoor cultivation in the Residential Agricultural zone, which is a hybrid zoning classification in Nevada County that accounts for many small, individual cannabis cultivators in this community. By not including them in this ordinance, many cultivators either must shut down operations or continue to cultivate illegally.

### **III. The DEIR does not use a reasonable assumption for parcel utilization under the NCCO, and therefore does not adequately mitigate the environmental impacts of cannabis cultivation.**

The “environmental baseline” condition is the foundation of an environmental impact report and provides the base assumption for all environmental impacts for the project.<sup>9</sup> Here, the County DEIR assumes that environmental baseline conditions began on August 10, 2018, the day the Notice of Preparation (NOP) was issued, and that there was 3,500 existing cannabis grows.

K-12

From that date, the DEIR then assumes **one hundred percent** of all eligible parcels under the NCCO will be utilized for cannabis cultivation, totaling 27,207 legal grows in Nevada County. While SYRCL appreciates the County analyzing their definition of the “worst case scenario,” it is also necessary to accurately analyze a realistic estimation of environmental impacts in order for the County and the NCCO to appropriately mitigate environmental impacts.<sup>10</sup>

#### **A. The DEIR should analyze a more reasonable parcel utilization assumption other than one hundred percent in order to develop and implement all feasible mitigation measures as required under CEQA.**

SYRCL urges the County to utilize existing data on current parcel utilization to analyze a more reasonable application of NCCO implementation rather than assuming one hundred percent for all environmental impacts.

If we move forward with the assumption that all 3,500 grows are outdoors and all commercial, we can apply actual data based on current conditions to identify how many parcels might be utilized when the NCCO is implemented. For example, SYRCL estimates that nearly twenty percent of current commercial grows would continue to be illegal based on the NCCO due to parcel size and zoning.<sup>11</sup> The NCCO would also make outdoor grows illegal on 2-5 acre parcels, leading to an additional 15% of current commercial grows staying illegal.<sup>12</sup> The remaining approximately 2,275 grows, that can potentially be legal could then move through an analysis of environmental impacts to see if this level of utilization is feasible with just existing grows becoming legal under the NCCO as written.

K-13

Additionally, the County could examine energy use, a “significant and unavoidable” environmental impact in the NCCO DEIR. Let us estimate that current grows are evenly divided among parcel size categories allowed under the NCCO. A stipulation of the NCCO that will likely lead to increased energy demand is the indoor grow only requirement for parcels 2-5 acres in size. A third of the 2,275 grows calculated above is approximately 680 grows that would require additional energy demand of

K-14

<sup>9</sup> Cal. Code Regs. tit. 14, § 15125 (a). Authority cited: Sections 21083, 21083.05, Public Resources Code; Reference: Sections 21060.5, 21061, and 21100, Public Resources Code; *E.P.I.C. v. County of El Dorado* (1982) 131 Cal.App.3d 350; *San Joaquin Raptor/Wildlife Rescue Center v. County of Stanislaus* (1994) 27 Cal.App.4th 713; *Bloom v. McGurk* (1994) 26 Cal.App.4th 1307 (emphasis added).

<sup>10</sup> DEIR p. 3-32, 4.3-24, 4.3-31, 4.15-26, and 4.17-13.

<sup>11</sup> Those parcels with grows removed based on zone and parcel size: 3,257 parcels subtracting 2,592 leaves 662 eligible parcels remaining.

<sup>12</sup> Approximately 558 out of the 3,500 parcels.

3,966,440 KWh/yr from outdoor grows being moved indoors.<sup>13</sup> This provides a reasonable method to calculate an estimate of how utilization under the NCCO might impact energy use just from the baseline of existing grows.

| Parcel size                      | Current estimated number of outdoor grows | Estimated energy use (KWh/y) |
|----------------------------------|-------------------------------------------|------------------------------|
| 2 -5 acres (rate:5,833 KWh/year) | 558                                       | 3,254,814                    |
| 5 - 10 acres                     | 788                                       |                              |
| Indoor (rate: 16,667 KWh/year)   | 263                                       | 4,383,421                    |
| Mixed (rate: 8,333 KWh/year)     | 263                                       | 2,191,579                    |
| Outdoor                          | 263                                       | 0                            |
| 10 – 20 acres                    | 608                                       |                              |
| Mixed (rate: 16,666 KWh/year)    | 406                                       | 6,766,396                    |
| Outdoor                          | 203                                       | 0                            |
| > 20 acres                       | 636                                       |                              |
| Mixed (rate: 33,333 KWh/year)    | 424                                       | 14,133,192                   |
| Outdoor                          | 212                                       | 0                            |

*Simplified version of DEIR Table 4.1703: Energy Use Based on Parcel Acreages<sup>14</sup>*

SYRCL recommends the County and consultants collect additional spatial data and take into consideration all NCCO requirements in order to calculate a more reasonable assumption for utilization, in addition to the complete hundred percent utilization assumption. This will determine the accurate number of eligible parcels for cultivation, produce an accurate assessment of environmental impacts, and assist the County in formulating and implementing all feasible mitigation measures. The legislative intent behind CEQA was to emphasize *feasible* mitigation measures.<sup>15</sup> By using a more reasonable utilization assumption, the suggested mitigation measures will be more feasible for the County and our community.

<sup>13</sup> With calculations from table above and actual numbers: 5,833kwh/yr x 558 legal parcels with existing grows equals 3,254,814 KWh/yr.

<sup>14</sup> DEIR p. 4.17-12.

<sup>15</sup> See § 21003 (c).

SYRCL also encourages the County to consider conducting a tiered environmental impact report to account for additional utilization of the NCCO in the coming months and years.<sup>16</sup> This will allow the County flexibility in providing a more reasonable fundamental utilization assumption to analyze environmental impacts, and also provide regulatory flexibility that will still protect our communities and the Yuba River watershed as the regulatory setting locally, statewide and federally evolves.

K-15

**B. The DEIR also does not fully address the impacts of cannabis cultivation because it does not accurately depict the number of eligible parcels as a result of the NCCO.**

In addition to the unreasonable hundred percent utilization of the NCCO, the DEIR only takes into account two factors when calculating the number of eligible parcels: parcel size and county zoning classification.

The DEIR states that there are 27,207 parcels that have the potential to be cultivated under the NCCO based on parcel size and zoning. However, the current NCCO has stipulations in addition to parcel size and zoning that are not accounted for in the eligible parcel number and would likely further limit the number of eligible parcels. These include a number of setback requirements such as general setbacks and sensitive site setbacks.<sup>17</sup> In fact, the DEIR references the setback requirement as a way the NCCO will likely reduce the 27,207 parcel number used for impact calculations, but does not attempt to quantify how many that would be or why the County did not attempt to quantify that reduction in eligible properties: “4.13-27: *Lastly, due to certain environmental constraints, irregularly shaped parcels, required setbacks from sensitive sites, etc., not every parcel zoned for cultivation would be permitted to cultivate.*”<sup>18</sup> The ability to do a large-scale analysis of parcel width and length exists in a number of different computer analysis programs such as ArcGIS, QGIS and R and would provide a more accurate estimate of how many parcels would meet setback criteria for a more reasonable analysis of NCCO impacts.

K-16

Additionally, cultivation is prohibited in 100-year floodplain areas and on “any parcel or premises within the unincorporated territory of Nevada County *except* parcels or premises with a *legally established residence.*”<sup>19</sup> Spatial data for the 100-year floodplain is readily available and it would cull additional potential properties for cultivation from the NCCO FEIR determination of eligible properties.

K-17

SYRCL again recommends the County and consultants collect additional spatial data and take into consideration all regulatory requirements in order to calculate a more reasonable and accurate assumption for utilization under the NCCO, rather than the one hundred percent utilization assumption.

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<sup>16</sup> § 21094 (a)(1) “If a prior environmental impact report has been prepared and certified for a program, plan, policy, or ordinance, the lead agency for a later project that meets the requirements of this section shall examine significant effects of the later project upon the environment by using a tiered environmental impact report.”

<sup>17</sup> DEIR p. 4.13-28.

<sup>18</sup> *Id.*

<sup>19</sup> DEIR p. 3-37.

**C. The one hundred percent utilization rationale is inconsistently applied throughout the environmental impacts, as listed in Section 4 of the DEIR.**

The DEIR does not consistently apply the assumed one hundred percent utilization of the ordinance rationale to analyze environmental impacts. For example, the County does not provide adequate analysis of additional impacts of construction energy use under the NCCO one hundred percent utilization because the DEIR does not analyze development impact of putting residences on what it has deemed eligible parcels in order to actually make them eligible under the NCCO. The DEIR argues that the requirement of a residence on eligible properties under the NCCO will not lead to home construction that is directly a result of the NCCO.<sup>20</sup> However, projections from the one hundred percent utilization assumption do not take into account whether there is a home on the parcel in determining currently eligible properties. Therefore, the DEIR ignores any environmental impact and possible constraint from the resulting new homes or structures that will be created under the one hundred percent eligible parcels. Additionally, the DEIR does not calculate how much energy use will be on those parcels that become eligible once adding a residence, and underestimates other impacts such as traffic, air pollution, and housing.

K-18

Once again, SYRCL urges the County to use a correct and reasonable underlying parcel utilization assumption consistently in the FEIR in order to properly analyze environmental impacts and mitigate them, if possible, as required under CEQA.

K-19

**IV. The DEIR does not list all feasible mitigation measures for some environmental impacts as required by CEQA.**

**A. The DEIR Energy Section overstates environmental impacts and does not offer all feasible mitigation measures.**

K-20

CEQA requires the DEIR to contain mitigation measures where possible.<sup>21</sup> Additionally, environmental impact assessment and subsequent mitigation measures and alternatives must have a certain level of specificity, for their analysis is the “core” of an EIR.<sup>22</sup>

Here, the DEIR used the one hundred percent parcel utilization assumption to find that the NCCO, “would result in a substantial increase in energy demand during operations. . . Even with the reductions, energy use at project buildout would be approximately 50% of the existing Countywide use. There is no mitigation that would be feasible to reduce these impacts to less than significant. Impacts would remain significant and unavoidable.”<sup>23</sup>

K-21

The DEIR’s determination of significant and unavoidable impacts does not excuse the County from implementing all feasible mitigation measures. Additionally, the DEIR fails to consider current state law targets on energy sources for cannabis cultivation and feasible mitigation measures such as renewable onsite energy generation and storage.

<sup>20</sup> DEIR p. 4.2-25.

<sup>21</sup> § 21002, “the policy of the state that public agencies should not approve projects as proposed if there are feasible alternatives or feasible mitigation measures available which would substantially lessen the significant environmental effects of such projects.”

<sup>22</sup> See *Banning Ranch Conservancy v. City of Newport Beach* (2017) 392 P.3d 455.

<sup>23</sup> DEIR p. 4.17-13.

For the FEIR, SYRCL requests the County consider California policy to move towards one hundred percent clean electric power by 2045 as rationale for another mitigation measure in the FEIR. The County could use this existing policy as the basis for an ordinance amendment that includes a local requirement to use a certain percentage of renewable onsite energy generation and storage such as solar, co-generation and battery systems. This local measure would mitigate long term energy use related environmental impacts to Nevada County.<sup>24</sup>

K-22

Additionally, the NCCO as currently drafted does not incentivize outdoor cultivation, even for personal use. The DEIR states that "...no electricity demands are assumed for new outdoor operations . . . to more closely represent what is anticipated to occur if the proposed NCCO is implemented."<sup>25</sup> If the NCCO incentivized additional outdoor cultivation, this would decrease environmental impacts from unnecessary energy demand.

K-23

Furthermore, SYRCL believes that mixed light cultivation is a more reasonable scenario for larger parcels. Most grows in Nevada County are outdoor or mixed, so using calculations for indoor grows on parcels where outdoor grows are legal at an equal percentage leads to erroneous data. In addition, we expect that if the County reviews the current, baseline conditions for outdoor grows they may conclude that outdoor grows do utilize electricity. The County should consider limiting indoor grows for parcel sizes greater than 5 acres in an additional Project Alternative in the FEIR. Limiting indoor grows could mitigate the "significant and unavoidable" impacts.

K-24

**B. The DEIR Hydrology and Utilities and Services sections overstate water use impacts and, therefore, fail to offer all feasible mitigation measures.**

SYRCL thanks the County for noting the environmental impacts of cannabis cultivation on water usage, in particular groundwater usage. SYRCL NOP comments state,

"excessive groundwater withdrawals can damage the unstable fractured granite groundwater reserves that lie beneath Nevada County. SYRCL believes that this review process needs to consider *and mitigate* damage caused by overpumping in a sensitive groundwater region that provides drinking and agricultural water in this community. In order to assess the most accurate and current levels of shallow groundwater storage, *the County may need to do a complete hydrogeology scan of the County's jurisdiction.*"<sup>26</sup>

K-25

Unfortunately, the necessary hydrogeology scan and resulting mitigations were never formulated for this DEIR, resulting in inaccurate water usage assumptions and associated impacts.

The DEIR used the water supply analysis in Appendix E to conclude that commercial cannabis will have a significant impact on water resources, determining the "...total water demand estimated for the commercial *and personal use* cultivation is 5,785,879,558 gallons per year (GPY), or 17,756.21-acre

K-26

<sup>24</sup> See SB 100, De León. California Renewables Portfolio Standard Program: emissions of greenhouse gases (2018). Note that Humboldt County also implemented a renewable energy incentive as mitigation measure for energy impacts in their cannabis ordinance DEIR.

<sup>25</sup> DEIR p. 4.17-1.

<sup>26</sup> SYRCL NOP Comments, p.7 (emphasis added).

feet per year (AFY).”<sup>27</sup> The DEIR acknowledges that this estimation does not take into account different forms of irrigation or maturity of the plant for usage variances. The DEIR concludes that the NCCO will “[s]ubstantially de[p]lete groundwater supplies or interfere with ground water recharge effecting aquifer volume or groundwater table.”<sup>28</sup> These are alarmingly high numbers of water usage and may result in severe environmental impacts.

K-26  
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Additionally, despite the aforementioned assumptions, NCCO declares that there are existing entitlements *and water resources* for this project.<sup>29</sup> Specifically, impacts on surface water sources will be less than significant because the water rights and subsequent flow allocations that are not managed by Nevada Irrigation District (NID) are governed by the SWRCB, through Lake or Streambed Alteration Agreements (LSAA) agreements, which in turn mitigate those environmental effects.<sup>30</sup> NID also says it has enough water to supply the expected grows from the NCCO.<sup>31</sup> Essentially, the DEIR assumes existing requirements from the SWRCB and the CVRWQB will mitigate impacts on NID water supplies and the DEIR declares no mitigation is required.<sup>32</sup> While SYRCL is encouraged to know that NID has enough water entitlements and resources for the NCCO, once again SYRCL encourages the County to incentivize water conservation by incorporating BMPs into the NCCO.

K-27

The NCCO DEIR also does not list any potential mitigation measures for the “significant and unavoidable” groundwater impacts. The DEIR acknowledges that most cultivation in the western portion of Nevada County is beyond the NID service area and would rely on groundwater, which “occurs in fractures of the hard rocks and between 200 and 215 feet below ground. There is little groundwater found to occur in the alluvium and colluvium of the area.”<sup>33</sup> However, the DEIR asserts that “overall groundwater extraction is vague” due to lack of hydrogeological mapping on Nevada County.<sup>34</sup>

K-28

The DEIR then goes on to note that there are limited regulations for groundwater in the County and does not list any sort of mitigation measures for the environmental impact.<sup>35</sup>

“Neither the County nor the State has governing rules that would give one overlying groundwater user an advantage over a new overlying groundwater user for cannabis cultivation purposes. Neither the County nor the State have a mechanism in place to track or monitor groundwater production in individual wells. For these reasons, potential impacts on groundwater supply are considered significant. Mitigation measures for reducing impacts to groundwater use could include new County policies regarding groundwater extraction and monitoring. *However, new County policy and regulations for groundwater use is beyond the scope of the proposed project and are not considered feasible. Therefore, groundwater impacts are considered significant and unavoidable.*”<sup>36</sup>

K-29

<sup>27</sup> DEIR p. 4.8-33-34.

<sup>28</sup> DEIR p. 2-5; second bracket for “deplete” denotes a grammatical typo in the DEIR.

<sup>29</sup> DEIR p. 4.16-15.

<sup>30</sup> Appendix E, p. 4-2.

<sup>31</sup> Appendix E, p. 4-1-2.

<sup>32</sup> DEIR p. 4.16-18; Appendix E p. 5-3 “5.2 Demonstrate Compliance with SWRCB Cannabis Cultivation Policy.”

<sup>33</sup> DEIR p. 4.8-4; 4.8-33.

<sup>34</sup> Appendix E, p. 4-3, 4-6.

<sup>35</sup> SYRCL acknowledges mitigation measure in Appendix E, 5.1.

<sup>36</sup> DEIR p. 4.16-19.

SYRCL disagrees with this assumption. New groundwater regulations for Nevada County are long overdue, and feasible given this new regulatory opportunity for the County.<sup>37</sup> As briefly mentioned in the DEIR, the Sustainable Groundwater Management Act (SGMA) was passed in 2014, the first time California regulated groundwater usage. Unfortunately, most of Nevada County does not fall under the jurisdiction of one of the Groundwater Sustainability Agencies (GSAs).<sup>38</sup> SGMA acknowledges that groundwater and surface water resources are “interconnected,” emphasizing the importance of integrated and sustainable management of water resources in California.<sup>39</sup>

K-29  
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SYRCL urges the County to take this opportunity to formulate new policies regarding groundwater monitoring and extraction, to not only understand the impacts of commercial cannabis cultivation, but for the health of our community and the Yuba River watershed. The NCCO DEIR “requires more than raw data; it requires also an analysis that will provide decision makers with sufficient information to make intelligent decisions.”<sup>40</sup>

K-30

The NCCO DEIR also does not take into account existing groundwater usage data that could assist in estimating groundwater impacts from commercial cannabis cultivation. The California Department of Water Resources (DWR) tracks well yield in Nevada County.<sup>41</sup> While the data is proprietary, the County is a public agency and therefore can consult with DWR and request access to that data in order to accurately assess environmental impacts. SYRCL encourages the County to formally consult with DWR, an important step to sustainably manage groundwater resources and comply with CEQA.<sup>42</sup>

K-31

Finally, SYRCL recommends an additional mitigation measure in the FEIR and NCCO, onsite localized mandatory groundwater recharge. A number of eligible parcels for cultivation in Nevada County already have onsite ponds that act as localized recharge.<sup>43</sup> This is also a feasible mitigation measure the County could promulgate through the FEIR and NCCO, citing existing Policy 11.3 in the County General Plan.<sup>44</sup> For more information, SYRCL recommends contacting the United States Geologic Survey (USGS) and the Community Water Center website.<sup>45</sup>

K-32

<sup>37</sup> Community Water Center SGMA Resources, “In some groundwater basins, there are areas that do not fall within the jurisdiction of any public water or land-use agency. These areas, often called white areas or unmanaged areas, are by default the responsibility of the county.”

<sup>38</sup> See California Department of Water Resources SGMA Portal Basin Boundary Modification Request System.

<sup>39</sup> See SGMA § 354.34.

<sup>40</sup> See *County of Amador v. El Dorado County Water Agency* (App. 3 Dist. 1999) Cal.App.4th 931; §21002.1.

<sup>41</sup> See DWR contact for North Central Region Bill Brewster, Senior Engr. Geologist, 916-376-9657, Bill.Brewster@water.ca.gov; see also DWR Website, “Data and Tools” <<https://water.ca.gov/Programs/Groundwater-Management/Data-and-Tools>>

<sup>42</sup> See *Banning Ranch Conservancy v. City of New Port Beach* (March 30, 2017) 2 Cal.App.5th 918, where the court found it was a “prejudicial error” the lead agency did not coordinate and consult with the California Coastal Commission.

<sup>43</sup> See *The Highway 68 Coalition v. County of Monterey* (August 24, 2017) 14 Cal.App.5th 883, “The County’s reliance on a groundwater recharge system to replace water used by the project and its assumptions of project water demand were also supported by substantial evidence in the record”; CEQA Guidelines p. 35.

<sup>44</sup> DEIR p. 4.8-25.

<sup>45</sup> See <<https://www.communitywatercenter.org/>>.

**C. The DEIR Water Quality and Hydrology Impacts Section does not provide all feasible mitigation measures.**

The DEIR Water Quality and Hydrology Section lists some vague mitigation measures of which SYRCL requests additional analysis or clarification. We appreciate that the County articulates state regulatory requirements for cannabis cultivators from the CVRWQB, U.S. Department of Fish and Wildlife, California Department of Fish and Wildlife, and the U.S. Army Corps of Engineers, including ensuring all stormwater runoff be collected at the project site and discharged to permitted treatment facilities.<sup>46</sup> However, existing state regulations are not mitigation for local environmental impacts.

K-33

The DEIR Impact 4.8-1 categorizes Water Quality impacts into Short-Term Construction (STC) Impacts and Long-Term Operational (LTO) Impacts for both personal cultivation and commercial/non-remuneration operations. For commercial/non-remuneration operations, the DEIR finds that the impacts may be significant. However, the DEIR then only states, “Therefore, future proposed project would be required to comply with respective RWQCB policies.”<sup>47</sup> SYRCL requests that the County elaborate on the analysis and linkage between some suggested mitigation measures and the County’s eventual finding of less than significant impacts to water quality from cannabis cultivation.

K-34

The NCCO does have a tiered permit system, the CCP, ADP, and ACP would be required for a legal cannabis cultivator and they each have issuance requirements that may mitigate water quality impacts.<sup>48</sup> SYRCL thanks the County for the detailed analysis on 4.8-31 that applies specific requirements in the permits to mitigating certain water quality impacts like stormwater pollution and sedimentation. Additionally, the notation that the Planning Director would review CCP and ADP permits for conformance of all water quality standards will help ensure feasible mitigation for water quality impacts and consistent enforcement.

K-35

The main mitigation measure the County offers is Nevada County Land Use and Development Code Section L-II 4.3.17 Watercourses, Wetland, and Riparian Areas.<sup>49</sup> This is mainly a list of state agency requirements that include setbacks, a Biological Inventory list and a possible Management Plan requirement if the other standards “preclude development” or the project “adversely affect another environmentally sensitive resource.” SYRCL recommends including a few more requirements in the “Management Plans,” including Best Management Practices (BMPs) that include soil building and soil health monitoring to mitigate other water quality impacts such as nutrients and bacteria.

K-36

Another vague mitigation measure that is listed for water quality impacts is the  
“purchase of compensatory habitat acreage within Nevada County of comparable or superior quality within a qualified wetland or riparian area mitigation banking site in Nevada County ensuring full replacement consistent with the [LL-II 4.3.17] standard. The bank developer shall provide assurance to the County that the created wetlands or riparian areas are permanently protected and maintained.”<sup>50</sup>

K-37

<sup>46</sup> See CVRWQCB General Order, WQ 2017-0023-DWQ; DEIR p. 4.8-32.

<sup>47</sup> DEIR p. 4.8-32.

<sup>48</sup> DEIR p. 4.8-31-33.

<sup>49</sup> DEIR p. 4.8-28, 4.4-42-43.

<sup>50</sup> DEIR p. 4.8-28-29.

SYRCL would encourage the County to add additional clarification to this measure, with important details such as what would qualify as “comparable or superior quality” riparian area. Additionally, SYRCL would like clarification on what qualifies as “assurances” from the bank developer.

K-37  
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The DEIR states that in order to conform with County Code Sec. L-V 13.14, implementation of a sedimentation and erosion control plan should be developed by a qualified professional to lessen the potential water quality impacts. SYRCL also recommends the County provide additional guidance on the required elements of the sedimentation and erosion control plans.

K-38

Additionally, SYRCL encourages the County to give additional guidance on who is considered a “qualified professional” in this section for the FEIR. We also recommend the County identify a relevant qualification or certification in the FEIR in order to establish a list of local experts to assist in implementation of this mitigation measure. If the plan is not overseen by a “professional,” the impacts to water quality and wastewater discharge could be significant.

K-39

Finally, SYRCL would also like to request that the County acknowledge that the Yuba River watershed has been designated a “priority” watershed by the State Water Resources Control Board (SWRCB). In addition to regions being classified as “impacted waterways” under section 303(d) list in the Clean Water Act, the SWRCB begun implementing enforcement actions in 2019 in certain parts of the watershed. The designation and subsequent actions show that the Yuba River watershed is highly impacted by cannabis cultivation. This should be acknowledged in the FEIR.

K-40

## **V. The DEIR “No Groundwater Cultivation Alternative” is not a feasible alternative for Nevada County or the Yuba River watershed.**

The County must consider a wide variety of Project alternatives in addition to the required “no project alternative” and Reduced Cultivation Area Alternative.<sup>51</sup> As stated in our original NOP scoping comments, SYRCL encouraged a variety of Project alternatives because

“a variety of alternatives will provide this community with a robust analysis, and subsequent flexibility, for a still-evolving state regulatory future while still protecting the Yuba River watershed.<sup>52</sup> Additionally, a variety of alternatives will also allow *local* knowledge and data to be formally considered through this robust environmental process . . . *Finally, a variety of project alternatives will also give the community several options moving forward with the complete legalization of commercial cannabis cultivation.*”<sup>53</sup>

K-41

Here, the County not only produced a number of infeasible alternatives, but alternatives that do not actually mitigate or lessen environmental impacts.

SYRCL recommends that the County remove the “No Groundwater Cultivation Alternative” from the FEIR due to lack of feasibility, as allowed under CEQA regulations.<sup>54</sup> Under CEQA, “An EIR is not

<sup>51</sup> CEQA Guidelines § 15126.6.

<sup>52</sup> See 2018 Legislation Update by California Growers Association for more information.  
<[https://www.calgrowersassociation.org/2018\\_legislation](https://www.calgrowersassociation.org/2018_legislation)>.

<sup>53</sup> SYRCL NOP comments p. 10 (emphasis added).

<sup>54</sup> CEQA Guidelines § 15126.6 (f) (1); see also § 21003 (c) “Environmental impact reports omit unnecessary descriptions of projects and emphasize feasible mitigation measures and feasible alternatives to projects.”

required to consider alternatives which are infeasible,” and factors that may be used to eliminate alternatives from detailed consideration in an EIR include infeasibility.<sup>55</sup> CEQA Guidelines further define feasibility, “Among the factors that may be taken into account when addressing the feasibility of alternatives are site suitability, *economic viability*, *availability of infrastructure*, general plan consistency, other plans or regulatory limitations, . . . No one of these factors establishes a fixed limit on the scope of reasonable alternatives.”<sup>56</sup> However, “if the agency finds certain alternatives to be infeasible, its analysis must explain in meaningful detail the reasons and facts supporting that conclusion.”<sup>57</sup> SYRCL provides a list of reasons below to support the infeasible conclusion.

K-41  
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First, this project alternative is hydrologically infeasible. Implementation of this alternative would place additional stress on surface water resources from the various watersheds, including primarily the Yuba River watershed, if there was to be a complete ban on using groundwater resources for cannabis cultivation.

K-42

Second, this project alternative is fiscally irresponsible and therefore infeasible. This alternative would not be possible with existing infrastructure, and therefore force NID and other entities to build additional water infrastructure. This would in turn place an enormous burden on our community and strain on the Yuba River watershed to provide surface water to all eligible parcels under the NCCO for cannabis cultivation. Under the Utilities and Services section, the DEIR notes that the impact of 4.16-2 “Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects” would be less than significant, noting “Commercial Cannabis operations may obtain water from NID. NID has noted that adequate water supply is available to serve the proposed project. Thus, impacts would be less than significant.”<sup>58</sup> This would certainly not be the case if the County chose to move forward with this project alternative.

K-43

Third, this project alternative is infeasible due to lack of enforcement capacity. In other words, this project alternative would be impossible to enforce in the County. As the DEIR states, a large portion of the County already uses groundwater for agricultural irrigation. Enforcing and preventing individual landowners from using existing wells on the property would be very difficult.

K-44

Fourth, this project alternative is environmentally infeasible. As briefly mentioned above with water usage impacts, this alternative would increase environmental harm, contrary to the intent of CEQA project alternatives. Not only would alternative source of water would potentially cause environmental harms to the Yuba River watershed, forcing some cultivators to truck in water will also have air quality, traffic and road maintenance impacts the County would have to take into consideration and mitigate.

K-45

Finally, this alternative could also be interpreted as the County “taking” a property right and, therefore, potentially legally infeasible. As mentioned previously, Nevada County is currently not within the jurisdiction of a GSA or under the purview of SGMA. While that is discouraging due to lack of

K-46

<sup>55</sup> CEQA Guidelines § 15126.6 (a), (c).

<sup>56</sup> CEQA Guidelines § 15126.6 (f) (1); *Citizens of Goleta Valley v. Board of Supervisors* (1990) 52 Cal.3d 553; see *Save Our Residential Environment v. City of West Hollywood* (1992) 9 Cal.App.4th 1745, 1753, fn. 1.

<sup>57</sup> *Marin Municipal Water District v. KG Land Corporation California* (1991) 235 Cal.App.3d 1652, 1664.

<sup>58</sup> DEIR p. 4.16-14-15.

groundwater usage and overall sustainability of groundwater resources in our community, for this DEIR, the regulatory setting is important to note because groundwater is still considered a property asset and right when purchasing real estate in Nevada County.

K-46  
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SYRCL recommends the County remove the No Groundwater Cultivation Project Alternative from further consideration in the FEIR, and instead encourage the County to focus on adjusting baseline applications for realistic environmental impacts and craft reasonable and feasible mitigation measures for groundwater impacts.

K-47

## VI. Conclusion

In closing, SYRCL appreciates the County's time and dedication to the environmental review process of the NCCO. Our community and the Yuba River watershed need an accurate analysis of environmental impacts from existing, potential, and most likely commercial cannabis cultivation. We appreciate the time and energy the County and the community have spent thus far on the legalization process, and once again express our intent to encourage the legalization and regulation of cannabis cultivation in Nevada County in order to protect the Yuba River watershed.

K-48

It is in that spirit of collaboration we welcome the opportunity to work closely with the County during the final draft of the ordinance and EIR. For coordination, clarification or discussion of any technical matters raised in this letter, please do not hesitate to contact our River Science Director, Rachel Hutchinson or our River Policy Manager, Ashley Overhouse by email or phone (530-265-5961).

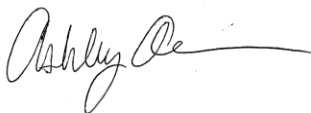
Sincerely,



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## Response to Comment Letter K - South Yuba River Citizens League (SYRCL)

**Response to Comment K-1:** The commenter provides an introductory remark about the DEIR, the proposed NCCO, and CEQA. The commenter notes the balance of the comments will be related to the NCCO and General Concerns and Amendments; the 100% use of eligible parcels; Mitigation Measures; and the no Groundwater Cultivation Alternative. No environmental issues or concerns were raised in the first summary paragraphs; therefore, no further response is necessary.

**Response to Comment K-2:** The commenter notes that SYRCL's vision is well-regulated agriculture should not harm water quality, fish or wildlife and their habitat within the Yuba watershed. The commenter notes that a SYRCL hosted a series of workshops focused on best management practices (BMPS) and recently received a grant from the CVRWQCB. This comment does not raise any specific environmental issues pertaining to the DEIR or pose questions related to the DEIR. The commenter; however, is referred to *Section 4.4 Biological Resources* and *Section 4.8 Hydrology and Water Quality* for a discussion of biological resources and water quality.

**Response to Comment K-3:** The commenter notes that the purpose of an EIR is to identify significant effects of a project and indicate how significant effects can be mitigated. The commenter notes that mitigation must be implemented when feasible and the purpose of the EIR is to inform decision making. The commenter notes that they applaud the County for making a good faith effort to analyze, review, and mitigate. The comment is noted. The comment summarizes the basic purpose of CEQA, a summarization the County agrees with. No environmental issues or concerns were noted, and no further response is required.

**Response to Comment K-4:** The commenter states the DEIR does not use a rationale assumption for parcel utilization and the County offers no or vague mitigation. SYRCL requests the subsequent comments and suggestions be used to amend the DEIR and BMPs and ordinance amendments be included to the FEIR. The commenter suggests that there are substantive and substantial changes that may require recirculation of the DEIR.

The DEIR evaluated the total number of parcels that would be eligible for commercial cannabis cultivation permits based on the zoning designations in which commercial cultivation would be a permitted use (AE, AG, and FR). Page 3-34 of Section 3.0 Project Description provides an explanation of this and is as follows:

“For purposes of this EIR, it was assumed that all parcels that met the minimum requirements (as described above) for commercial cannabis cultivation would be utilized as commercial cannabis sites. After excluding parcels that do not meet the required zoning classifications, minimum size requirements, and excluding government lands, there are a total of 27,207 parcels spread throughout the unincorporated area throughout the County. If each of these parcels were to cultivate the maximum amount of canopy area that would be permitted would equate to approximately 2,684 acres. As such, this assumption represents a worst-case scenario for purposes of analyzing environmental impacts.

This assumption represents a conservative analysis in that it is unlikely that every eligible parcel would be build out and used for cannabis cultivation. Aside from meeting the required zoning and parcel size, commercial operations must also meet the cultivation area

requirements of the proposed ordinance, as well as other requirements such as setbacks from sensitive uses, having a legal residence on the property or adjacent to the property, and having electrical and water service that meet State and County building code requirements. This would likely eliminate many of the most remote and rural parcels. Other parcels may be eliminated due to physical constraints (e.g., steep slopes or inadequate roadways) or regulatory constraints (e.g., wetlands, oak woodlands, or other environmentally sensitive habitat impacts). For these reasons assuming that all eligible parcels could be used for cannabis cultivation represents a worst-case analysis.”

As discussed above, the County recognizes that there will be certain limitations on parcels that would not permit commercial cultivation. However; as described this environmental impact report was written as a Program EIR in accordance with State CEQA Guideline § 15168. A Program EIR is appropriate for and is prepared for projects that involve a series of actions that can be characterized as one large project. More specifically, a Program EIR, in the case of the proposed project is used because the subsequent commercial cannabis cultivation permits would be issued in connection with issues or rules, regulations, plans, or other general criteria to govern the conduct of a continuing program, and because they are individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects, which can be mitigated in similar ways. The commenter is referred to **Master Response 2**, and **Response to Comment C-2, C-6, and C-8** which further details the use and appropriateness of a Program EIR, as well as subsequent environmental (CEQA) documentation to evaluate the impacts of the proposed project and individual commercial cannabis cultivation projects.

It should be noted, that due to the admittedly large number of parcels, changes to the NCCO language (largely in response to changing regulations and input received from involved parties and stakeholders), and as discussed on page 3.4 of *Section 3.0 Project Description* it was not practical for the County to screen out certain parcels from analysis prior to, during, or even after preparation of the DEIR. The NCCO is not yet adopted and is a fluid document, meaning it has, and likely will continue to undergo revisions based on comments, public requests, and environmental compliance. The commenter is referred to subsection 1.2.1 Revisions to the Proposed NCCO and DEIR in *Section 1.0 Responses to Comments*, Therefore, because the final constituency of parcels that may or may not be appropriate for cultivation, the DEIR evaluated the impacts of the proposed NCCO using all appropriately zoned parcels. In part, because of these reasons, the County elected not to screen out certain ineligible parcels.

Additionally, it was not feasible for the County to use the existing cultivation criteria due to the large number of parcels (27,207). The use of the Program EIR was appropriate in this regard because adequate detail regarding the components of each future individual project and additional site-specific detail of the environmental characteristics of every potential commercial cultivation site were lacking. This approach is buoyed by State CEQA Guideline §15146 Degree of Specificity. This guideline states the following:

“The degree of specificity required in an EIR will correspond to the degree of specificity involved in the underlying activity which is described in the EIR.

- (a) An EIR on a construction project will necessarily be more detailed in the specific effects of the project than will be an EIR on the adoption of a local general plan or comprehensive zoning ordinance because the effects of the construction can be predicted with greater accuracy.

- (b) An EIR on a project such as the adoption or amendment of a comprehensive zoning ordinance or a local general plan should focus on the secondary effects that can be expected to follow from the adoption or amendment, but the EIR need not be as detailed as an EIR on the specific construction projects that might follow.”

Because the exact constituents of the individual commercial cannabis cultivation on a site by site basis would be unknown until such time applications were received, the level of detail provide is appropriate. It would be speculative to assume the exact way a cultivator on an eligible parcel would engage in cultivation activities. Where one cultivator may choose a blend of mixed light, indoor and outdoor, another may choose only outdoor. Or, a cultivator in a higher elevation may be forced to only use indoor cultivation and have to scale back canopy size due to cost constraints, where a cultivator at a lower elevation may be able maximize outdoor canopy area. Other non-cultivation related constraints such as precise location of access roads and utility easements (again, factors that may change) would make it infeasible and speculative to screen parcels out of the analysis.

Further, even if the number of eligible parcels is reduced, it would leave a substantial volume of work and analysis related to the parcels that would remain. Although it would become increasingly easier to evaluate future commercial cultivation areas in an additional level of detail, the amount of work and still sheer number of parcels would make such an analysis infeasible. In addition, this type of analysis would create disparity in the levels of detail from parcel to parcel and county region to region. Simply put, certain details would be known regarding certain areas yet would be unknown in others. This would render the analysis inconsistent within the document and very difficult to analyze potential impacts and craft mitigation language.

Lastly, and perhaps most importantly, while the County freely acknowledges the information discussed above, the fact that not all eligible parcels would be utilized for commercial cannabis cultivation; it would be speculative to screen out sites at this stage of the process, and it would be speculative to attempt to analyze the specific environmental elements and associated impacts on potential cultivation sites. Similarly, it would be speculative to attempt to define specific mitigation needed or not needed for that specific site. Similarly, and as additional information about specific site become available, there may have become increasing inclination to evaluate the NCCO as a Project Level EIR. In regard to a Project Level EIR, State CEQA Guideline § 15161. states, “this type of EIR examines the environmental impacts of a specific development project. This type of EIR should focus primarily on the changes in the environment that would result from the development project. The EIR shall examine all phases of the project including planning, construction, and operation.” This would have been in conflict with the intent of the NCCO, an adoption of a County-wide program and regulation mechanism for commercial cannabis, and because the needed details to meet the burden of a Project level analysis nonetheless would be lacking.

Regarding the inclusion of mitigation. The Program EIR includes feasible mitigation when appropriate and reasonable. Again, due to the scope and scale of the project, proposing site-specific information would be impractical and unreasonable. Instead, the proposed NCCO relied on existing County zoning and performance standards and County Management Plans, California Department of Agriculture and Forestry Regulations specifically pertaining to Commercial Cannabis Cultivation, as well as regulations for water quality, biological resources, and all other applicable environmental resource areas. The commenter is referred to **Response to Comments C-5, and C-12 through C-21** regarding the additional regulatory

language requested by CDFA. The inclusion of the standards and regulations, specifically those required by the revised CDFA regulations that were approved by OAL on January 16, 2019, while the DEIR was in circulation for Public Review, have served to provide a now clear layer of environmental protection which will serve to ensure impacts remain at their current level or are further reduced. These have been added to the FEIR for clarification.

The County also has included a Project Specific Checklist which would be used for pre-screening of projects by County staff. This element of the Program serves to evaluate each future individual project against certain required standards that are specifically intended to avoid or mitigate environmental impacts. In accordance with State CEQA Guidelines, this provides the County with the opportunity to enforce mitigation and specific conditions of project approval on a project by project basis to address site-specific environmental concerns.

It should be noted, that the FEIR has undergone numerous revisions based on public and agency comments. The revisions; however, are not substantial by CEQA Standards in that their inclusion does not constitute a significant change in that 15088.5. Specifically, § 15088.5 (b) states, "Recirculation is not required where the new information added to the EIR merely clarifies or amplifies or makes insignificant modifications in an adequate EIR." The commenter is referred to **Response to Comment J-5, J-10, and J-11**. Therefore, while changes have occurred, there are no changes that are so significant in terms of revisions that would require recirculation of the DEIR pursuant to CEQA Guideline 15088.5 (Recirculation of an EIR Prior to Certification).

The comments are noted. No changes to the FEIR have been made in response to this comment; however, other revisions were made based on similar comments. Those related responses are noted in bold text, above.

**Response to Comment K-5:** The commenters concern is that that the NCCO does not encourage legal cannabis cultivation and without effective implementation of the NCCO and community consensus, the DEIR will not be an accurate determination of the extent of environmental damage.

The comment is noted. The purpose of the DEIR was to disclose potential environmental impacts to the best ability of the County with certain limitations specifically outlined in **Response to Comment K-4**. It should be noted that it is not the purpose of the DEIR to evaluate continued environmental consequences of unregulated cannabis cultivation. The County also notes that the purpose of the proposed NCCO is to introduce a discreet permitting process by which cultivators can engage in legal cannabis cultivation. An evaluation of the potential for cultivators to disregard the regulations contained within the proposed NCCO is not required nor appropriate for discussion in the DEIR. This comment is noted, and no further response is required.

**Response to Comment K-6:** The proposed NCCO does not seek to encourage any specific type of cultivation (Indoor, Mixed-light, or outdoor) and does not ban cultivation in RA zones. Commercial cannabis cultivation would not be permitted in an RA zone but cultivation for personal use would be allowed. The County contends that the proposed NCCO provides a logical and reasoned approach to commercial cannabis cultivation in the AG, AE, and FR, thereby minimizing impacts to more densely populated residential areas and implementing mitigation and enforcing standards and ensuring compliance with applicable regulations to reduce environmental impacts where commercial cultivation

would be permitted. The County further contends that the proposed NCCO is not unreasonably restrictive in that cultivation would potentially be authorized on 27,207 parcels within the County or approximately (2,684 acres of total canopy). The Commenter is referred to **Response to Comment K-5** regarding the inclusion of information regarding illegal cannabis cultivation and why it is inappropriate for inclusion to the DEIR.

**Response to Comment K-7:** The commenter prefaces the next few comments stating they have certain recommendations for amendments to the proposed NCCO. This comment is noted. This comment does not raise an environmental concern or issue and no further comment is required.

The DEIR evaluated allowing commercial cultivation in RA zones as part of the “Cultivation Allowed in RA Zones Alternative. In all cases impacts to all environmental resource areas were greater except for four, which would be roughly equivalent. The County is not able to evaluate the specific cultivation that is existing with RA zoned areas because this would involve a level of detail outside the scope of this Program EIR. This also would not provide equal protection to residents residing in RA zones not presently cultivating while giving special treatment to persons illegally cultivating. The commenter is referred to **Response to Comment K-4** regarding Program EIR appropriateness versus level of detail needed for a Project level document, which would be needed under the recommended Alternative.

**Response to Comment K-8:** The comment is noted. The commenter is referred to **Response to Comment C-6, C-12, C-17, and C-18**, and response to comments to CVRWQCB and LRWQCB, for clarifications and revisions regarding water quality. Regarding Pest Management the commenter is referred to **Response to Comment H2-3 and H3-4**, and the commenter is referred to Section 4.6 Geology and Soils for a discussion of soils. The specific nature of the comment regarding soil building and composting, and soil testing are beyond the scope and scale of the proposed NCCO. If individual cultivators wish to engage in these activities and they do not violate any existing NCCO regulations or other statutes, policies, or state regulations, they would be free to do so.

**Response to Comment K-9:** The commenter requests that in the “Findings and Purpose” section of the NCCO the County include a tribute to the heritage of the medical cannabis market in Nevada County. This comment is noted but it does not question or comment on the DEIR or adequacy thereof. The request will be forwarded to the Planning Commission for their review. No further response is required.

**Response to Comment K-10:** The commenter states that the proposed NCCO as written does not encourage small farm cultivation. The comment is noted and although small farm cultivation is not specifically discussed, cultivators would be able to cultivate in a small footprint provided it fits with the parameters of the ordinance and other regulations. No further response is required. The commenter is referred to **Response to Comment K-6 and K-7** regarding modifications to the zoning.

**Response to Comment K-11:** The comment is noted but it does not question or comment on the DEIR or adequacy thereof. The proposed NCCO has been crafted to be consistent with the MAUCRSA. The commenter is referred to pages 3-2 through 3-4 of *Section 3.0 Project Description*, and **Response to Comment C-11 and C-12**. No further response is required.

**Response to Comment K-12:** The commenter notes the baseline is the foundation of environmental impact report and in a footnote indicates State CEQA Guideline §15125(a), which states,

“An EIR must include a description of the physical environmental conditions in the vicinity of the project, as they exist at the time the notice of preparation is published, or if no notice of preparation is published, at the time environmental analysis is commenced, from both a local and regional perspective. This environmental setting will normally constitute the baseline physical conditions by which a lead agency determines whether an impact is significant. The description of the environmental setting shall be no longer than is necessary to an understanding of the significant effects of the proposed project and its alternatives.”

The County agrees with commenter and as discussed used the appropriate baseline for analysis. The commenter is referred to page 1-2 and 1-3 of *Section 1.0 Introduction* for a complete discussion of the use of the baseline conditions.

The commenter also discusses the use of the 27,207 parcels as not being realistic and in a footnote references pages 3-32, 4.3-24, 4.3-31, 4.15-26, and 4.17-13 of the DEIR. Although not specifically stated the County assumes the comment is in reference to these pages using the term, “worst-case” or including an explanation of the use of the 27,207 parcels. The County agrees this was referenced in these sections and pages. The commenter is referred to **Response to Comment K-4**, for additional details and rationale for using this value.

**Response to Comment K-13:** the commenter urges the County to use existing data on current parcel size and utilization for a reasonable application of the NCCO. The commenter then provides assumptions based on the existing estimated 3,500 commercial cannabis cultivation sites and makes a series of estimates ultimately recommending an environmental analysis and feasibility and legality of continuation of existing grows.

The comment is noted, and the County appreciates the commenters recommendations for an increased level of detailed analysis. However, for the reasons listed in **Response to Comment K-4**, the recommended analysis was not undertaken and is not feasible at the scope and scale of the proposed NCCO and was not appropriate for inclusion to the DEIR. The purpose of the DEIR was to analyze potential impacts under the proposed NCCO, not to engage in parcel by parcel analysis of potential utilization and changes of being used for a given type of cultivation (outdoor, mixed-light, indoor). In addition, what the commenter recommends would introduce additional levels of speculation related to the types of cultivation an applicant may choose to use as well as speculation related to the percentage of growers that would choose to cultivate without regard to the requirements set forth in the NCCO, or as the commenter states, “illegal.” This comment is noted, and no additional response is required.

**Response to Comment K-14:** The commenter refers to the energy usage of the potential switch from growers currently on RA zones to indoor cultivation, which is listed as a, “significant and unavoidable,” impact in the DEIR.

The commenter is correct that energy use in the DEIR is listed as significant and unavoidable. Regarding the commenters calculation of energy use, which is based on the assumption in Response K-13, the commenter is referred to **Response to Comment K-13**. The County appreciates the commenters concern related to energy use. However, because a site-specific analysis would be needed to reach the conclusions, the information has not been included to the FEIR. The commenter also is referred to

**Response to Comment C-21, I-3, K-21, K-22, L-11, N-6, O-346, O-347, and O-397** regarding energy and renewable energy use.

The County does note and refer the commenter to **Response to Comment C-21** and *Section 4.17 Energy*, which has been revised based on the new CDFA regulations adopted January 16, 2019 while the DEIR was under public review.

**Response to Comment K-15:** The commenter reiterates the request for a more reasonable assumption for parcel utilization. The comment is noted, and the commenter is referred to **Response to Comment K-4** above.

The commenter recommends use of a tiered environmental impact report to account for additional utilization of the proposed NCCO. The comment is noted. The commenter is referred to **Master Response 2**, which describes the purpose of a Program EIR, and which, in the case of the Proposed NCCO is meant to be tiered from for subsequent individual commercial cannabis applications. The Commenter also is referred to **Master Response 3** and **Response to Comment C2** which provides specific detail regarding the subsequent environmental review

**Response to Comment K-16:** The commenter notes that there were tools available including ArcGIS, QGIS, and RGIS that could have been used to reduce the number of parcels analyzed. The commenter notes that the DEIR states there were various environmental constraints that would reduce the number of eligible parcels from the 27,207 parcels and that further analysis could have arrived at a more realistic number.

The County agrees that there are programs such as those listed that are available that could have been applied and used to reduce the parcels under analysis. This comment is similar in nature to Comment K4. Similarly, the commenter is referred to **Response to Comment K-4** for an explanation of why this methodology was not used.

**Response to Comment K-17:** The commenter elaborates on the above stating that information for the 100-year floodplain is available, so these parcels could have been screened out of the overall analysis. The commenter then reiterates the recommendation to use spatial data.

The County appreciates the commenters suggestions and agrees that special data could have been used to screen out certain parcels. However, for reasons stated in **Response to Comment K-4**, above, and for the reasons elaborated on below, the County chose to evaluate the proposed NCCO as described in the DEIR.

The commenter is correct that the current NCCO does not permit cultivation uses within a 100-year floodplain. The County offers the following scenario as a response. It is possible that a party wishing to commercially cultivate cannabis on a parcel may be, under the listed defined limitation (within a 100-year floodplain) be disallowed under the current NCCO. It should be noted that Title 3, Chapter X, Article 2, Section L-X 2.29 Variances allows a process for variances to be granted. More specifically, this section reads in parts as follows:

“Sec. L-X 2.29 Variances

- A. The enforcement agency shall have the power under the following specified conditions to grant a variance from any provision of the standards referenced within this Chapter and to prescribe alternative requirements in their place. Any variance from the requirements of this Chapter shall be granted only with written approval of the Director.
- B. SPECIAL CIRCUMSTANCES: Variances from any requirements of this Chapter shall be granted in specific cases only when, because of special circumstances applicable to the property, including size, shape, topography, location or surroundings, the strict application and enforcement of the requirements of this Chapter would involve practical difficulties or unnecessary hardship depriving such property of privileges enjoyed by other similar property in the vicinity. In these instances, a variance may be granted by the enforcement agency only if, in the opinion of the Director, no public health or water quality hazard would be created.

Any variance granted shall be subject to such conditions as will assure that the adjustment authorized shall not constitute a grant of special privilege inconsistent with the limitation upon other properties in the vicinity.”

Using the commenters example, it is conceivable that a variance allowing outdoor cultivation (cultivation without placement of permanent structures) would be granted within a 100-year floodplain. In this instance, had this parcel and other like it been screened out from this constraint or any number of other constraints, the use of these parcels would have been omitted from analysis in the DEIR even if their eventual use could be reasonably permitted at a future time.

To the commenters point, another example could be an existing parcel that lacks local or private road access. It is reasonably foreseeable that the owner of a parcel in this condition could be improved with, after proper permitting and analysis, a roadway that would provide access to the site. In this way, the parcel would have been initially screened out, but nonetheless at a later date put into production of commercial cannabis.

No changes or revisions to the FEIR have been made based on this comment.

**Response to comment K-18:** The commenter states that the DEIR does not consistently apply the 100-percent utilization and does not adequately provide analysis of the use of construction energy because it does not adequately analyze the development impacts of, “putting residences on what it has deemed eligible parcels in order to actually make them eligible under the NCCO.” The commenter states the DEIR; therefore, ignores environmental impact and possible constraints from resulting new homes or structures. Additionally, does not calculate how much energy will be on those parcels once address is added and underestimates, traffic, air quality, and housing.

The County appreciates the comment is offered the following response. The County does apply the 100-percent rationale to all sections and analysis within the DEIR. All separate environmental resources areas are based on the premise and use of the 27,207 parcels for commercial cannabis cultivation. While there may be some nuanced differences in the precise way it is applied, all analysis utilizes the same baseline

These differences are explained within the Methodology subsection. The Methodology prefaces the rationale behind the specific style of the analysis. This analysis also is driven by the specificity of the information available as well as the information called for by the individual impact discussions that are verbatim from the State CEQA Guidelines Appendix G Environmental Checklist. The County agrees with the commenter that not all discussions provide the level of detail they are requesting. The County notes; that to undertake this detailed analysis, the DEIR would have been required to engage in profound speculation and guesswork, which are not appropriate for a CEQA analysis.

The commenter if offered the following example. In the case of residential development, populations growth, and associated energy use, just as in *Section 4.4 Biological Resources* the DEIR was not able to analyze site-specific impacts to biological resources due to the scope and scale of the project. This leads to many unknown site-specific details regarding the existing biological resources within a possible site. Just as there are many unknown biological resources and a myriad of other variables within potential cultivation sites, these same variables exist related to population and housing, residential development, and associated energy use. These site-specific analyses are discussed in Section 5.0 Cumulative Impacts and will be further evaluated per the requirements of CEQA on a site-by-site, project by project basis through the County permitting process as prescribed by and allowed by CEQA. The commenter is referred to **Response to Comment C2**, for additional detail on this process and how it related to the CDFA state permit issuance and environmental screening requirements.

Within the above, the commenter is referred to page 4.2-14 of *Section 4.2 Agricultural Resources* which states:

“Because the scope of the proposed project does not include project-specific construction, modification, or replacement of cannabis cultivation facilities, construction-related impacts associated with converting agricultural land to nonagricultural uses, or forest land and timberland to non-forest uses, they are considered as part of the cumulative impact analysis and would be further evaluated on at a project-specific level, at the time of a County-issued permit.”

As discussed above, the specific resources, residences and ancillary structures, within potential cultivation sites, which may or may not be used for cultivation are unknown. A parcel that may be used may have a residence, or there may be a residence on a commonly owned adjacent parcel. Use of this parcel may be used and require construction of a residence, or it may not. If a residence is constructed it may be a 500 square foot home or a 4,000 sf. The owners may elect to use solar power, or they may not. Regardless of home size or cost of installation of solar or extension of PG&S service lines, these improvements may or may not be cost prohibitive for a potential cultivator. Many more variables exist. Simply put there are too many variables and constraints to enable a site-specific evaluation of the potential number of residences that may be constructed. Similarly, this would carry to population and housing and other environmental resource areas.

Therefore, just as *Section 4.4 Biological Resources* did not evaluate the precise number of acres of habitat that may be impacted *Section 4.12 Population and Housing* did not evaluate the specific number of houses that may or may not be constructed and *Section 4.17 Energy*, was not able to evaluate the specific energy use that may result. In addition, the DEIR provided a Programmatic evaluation of the impacts to air quality and traffic in their respective sections, Section 4.3 Air Quality and Greenhouse Gas, and 4.15

Transportation and Traffic. The commenter does not make any specific comments regarding those sections, and no additional response is provided. However, the commenter is referred to **Response to Comment C-21, I-3, K-21, K-22, L-11, N-6, O-346, O-347, and O-397** regarding renewable energy, and **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

Regarding additional detail on the previous elements of the comment, the commenter is referred to **Master Response 2**, regarding the use of a Program EIR, and **Response to Comment K-4, and K-18** above, and **Response to Comment C-2, C-6, and C-8**.

**Response to Comment K-19:** The commenter is referred to **Response to Comment K-4, K-17, and K-18**, above.

**Response to Comment K-20:** The commenter states the CEQA requires mitigation measures where feasible and requests additional specificity regarding energy use and cites PRC § 21002 Approval of Projects, Feasible Alternatives or Mitigation Measures. The commenter is correct in the citation of the Section of Code. The commenter also references *Banning Ranch Conservancy V. City of Newport Beach* case, and although they do not explicitly state the nexus to the proposed project, the County believes the likely connection is the lack of consideration of state law based on Comment K23, which is discussed in **Response to Comment K- 22**, below. The Regarding the specificity of energy use the commenter is referred to **Response to Comment K-19** above.

**Response to Comment K-21:** The commenter correctly cites the DEIR and conclusion regarding a substantial increase in energy use and conclusion of significant and unavoidable conclusion. The commenter notes the significant and unavoidable finding does not excuse the City from implementing feasible mitigation and compliance with State Law energy targets for cannabis cultivation. The commenter also notes that the DEIR does not discuss state law.

Regarding the use of State energy targets, the commenter is referred to **Response to Comment C-2** related to the newly adopted (January 16, 2019) CDFA regulations pertaining to cannabis use. § 8305 Renewable Energy Requirements. These requirements have been included to the FEIR and include measures such as meeting renewable energy requirements, using carbon off-set/credits; and documentation of energy sources. These requirements would need to be met by the deadline to be issued or enable renewal of a state permit. The commenter is referred to **Response to Comment K-22, and K-23** for additional details on related comments.

**Response to Comment K-22:** The commenter recommends that the County adopt an amendment to the NCCO in consideration and based on the rationale of the State policy to move toward 100 percent clean energy such as solar, co-generation, and battery power by 2045. The commenter notes that a measure such as this would mitigate long term energy use impacts. The FEIR has been revised to include a provision, per the commenters recommendation, that by 2045 all cannabis cultivation county wide shall be required to use 100 percent renewable energy.

In addition, the commenter is referred to **Response to Comment C-21** for further discussion of energy use and the recently revised and adopted (January 16, 2019) CDFA regulations pertaining to solar use and the additional requirements placed on commercial cultivation related to use of carbon-neutral energy.

**Response to Comment K-23:** The commenter notes that energy use of outdoor cultivation and recommends the proposed NCCO be modified to incentivize outdoor cultivation. The comment is noted. Due to the cost associated with indoor cultivation and cultivation trends in other areas and the historic pattern of cultivation in Nevada County, it is anticipated that the majority of cultivation will continue to be outdoor or combination of outdoor and mixed-light. No further response is required.

**Response to Comment K-24:** The commenter notes that mixed-light cultivation is a more likely scenario for larger parcels and that most of the existing cultivation in Nevada County is currently mixed-light or outdoor and implies that the energy evaluation skews the data upward. The commenter notes that outdoor cultivation does utilize electricity and recommends the County limit indoor cultivation for parcels with greater than five acres.

**Response to Comment K-25:** The commenter recognizes that the County notes the impacts to water use, especially groundwater and cited a portion of the DEIR. The commenter references a comment made during the NOP requesting a complete hydrogeology scan of the entire County groundwater system be made. The commenter notes that this was not done, and proper mitigation could not be formulated and results in inaccurate water usage assumption and associated impacts discussion. The comment is noted. The County is not aware of the term or technology, “hydrogeology scan.” The County is not aware of hydrogeology studies. Performance of new hydrogeology study for the entire County was noted but was dismissed as infeasible, over time-consuming, and extremely costly for the purpose of analyzing impacts for the proposed NCCO. Instead, the DEIR relied on existing resources and provided a thorough discussion of the existing groundwater and overall hydrogeologic setting within the County. The commenter is referred to *Section 4.8 Hydrology and Water Quality* of the DEIR which provides this discussion including groundwater and other factors such as surface waters and climate that affect groundwater levels and recharge. In addition, *Section 4.16 Utilities and Services Systems*, discusses groundwater, the local service providers, water availability, and fully discloses potential impacts to groundwater that could occur. Regarding impacts to water use the commenter is referred to **Response to Comment O-123, and O-130**. No changes to the FEIR have been made as a result of this comment.

**Response to Comment K-26:** The commenter restates the significant impact conclusion for water resources disclosed in the DEIR and correctly restates water use estimates. The commenter restates the text of Impact 4.16-2 in *Section 4.16 Utilities and Service Systems*. No comment regarding the adequacy or questions regarding the DEIR are raised. No further comment is required.

**Response to Comment K-27-** The Commenter discusses NID water supplies and use of SWRCB and LSAA regulations to help reduce water use. Regarding the NID water supplies the commenter is referred to **Response to Comment J-12 and J-13**.

Regarding the commenters assertions about SWRCB and LSAA the entire text of the referenced paragraph reads as follows:

“If the water supply for the additional demands is met entirely from surface water systems in the region that are separate from NID’s system, the supplies would be determined by the legal requirements governing California’s surface water rights. For new surface water appropriations from natural stream channels, the new diversions would require a full hydrological analysis of the identified watershed that shows that water is available for

diversion and use for cannabis cultivation. The hydrological analysis is wholly governed by the State Water Resources Control Board in allocating surface water supplies in California and generally limits water diversions to higher flow months – the winter and spring runoff periods. Moreover, construction of diversion facilities would be subject to Fish & Game Code requirements related to streambed alteration permits. For a normal water right application, the primary SWRCB finding would be that a water right permit may be issued so long as there are affirmative findings that (a) there is sufficient water in the system based upon the hydrological analysis to meet the applicant's needs; and (2) there will be no harm to other legal users of water or the environment by issuing a water permit.

The SWRCB, however, has an additional regulatory layer for issuing water rights permits for cannabis cultivation. The SWRCB's 2017 Cannabis Cultivation Policy described in Section 3.1.3 would be implicated with a new filing for a water right for cannabis cultivation. The determination of how that policy would be applied to a new water right permit is governed by SWRCB but the Policy generally adds further diversion curtailments, storage requirements, and injury protections for environmental purposes (like fish propagation). Thus, applying unappropriated water for cannabis cultivation would require an affirmative finding that the new use would not only not injure other legal users of water but it must also fully comply with SWRCB's Cannabis Cultivation Policy as they relate to water rights."

The commenter is correct in that this would act as a control on surface water use, but this is not proposed as mitigation nor is it considered mitigation as implied. Often times project conformance to regulations and verification during subsequent approval actions and permitting, as in the case of permitting cannabis cultivation within the County, are adequate to reduce impacts and additional mitigation is not needed.

Regarding the commenters request for BMP's to reduce water use, the County concurs that this would be a valuable tool in reducing water consumption. Although this will not be added as an amendment to the proposed NCCO. The County has included in the ACP and CCP application package a requirement for water supply information. The water supply information requires applicant to implement water reduction strategies which may include but not be limited to, disclosure of water source, use of a drip irrigation system, use of irrigation control timers or automatic fertigation, use of rain and freeze sensors, and limiting water time to avoid mid-day heat, recirculation of runoff irrigation water, and reclamation of condensate when feasible, etc. The commenter is referred to **Master Response 3**, which discusses the Application Packets

**Response to Comment K-28:** The commenter restates discloses in the DEIR regarding groundwater, groundwater supply, and use. This commenter does not question the adequacy of the DEIR and does not raise any new substantive issues. The commenter is referred to **Response to Comment K-25, K-26, and K-27**. No further comment is required.

**Response to Comment K-29:** The commenter restates a paragraph from page 4.16-19 from *Section 4.16 Utilities and Service Systems*. The commenter disagrees with the DEIR not including new groundwater regulations within the proposed NCCO. The commenter then states that most of Nevada County does not fall within the jurisdiction of one of the Groundwater Sustainability Agencies (GSA's). The County recognizes SYRCL's disagreement with not including groundwater regulations in the NCCO. However; as discussed in the cited section, "...new County Policy and regulations for groundwater use is beyond the

scope of the proposed project and are not considered feasible.” The commenter is referred to **Response to Comment G-11**.

The commenter also is referred to *Section 3.0 Project Description*, which describes the defines the purpose of the project as a structured way to manage cannabis cultivation, of which, management of groundwater is outside the scope. The commenter is referred to Page 3-20 of *Section 3.0 Project Description* which defines the Project Objectives and states, “The statement of objectives should include the underlying purpose of the proposed project.” The purpose of the project is to establish a regulatory framework for cultivation of cannabis within the County. The purpose does not include implementation or adoption of groundwater regulations.

**Response to Comment K-30:** The commenter restates the desire for new groundwater regulations. The commenter is referred to **Response to Comment K-25**, and **K-29**, **Master Response 2**, and **Response to Comment C-2** for a discussion of the intent and purpose of a Program EIR.

**Response to Comment K-31:** The commenter notes that the DEIR does not take into account existing groundwater use and encourages the County to consult with Division of Water Resources to obtain proprietary ground water data. For areas outside the Martis Valley Groundwater Basin (MVGB), the commenter is referred to page 4.16-23 through 25 of *Section 4.16 Utilities and Service Systems* which discusses groundwater in Areas 1 through 3 and states regarding groundwater use in these areas, “Neither the County nor the State have a mechanism in place to track or monitor groundwater production in individual wells. For these reasons, potential impacts on groundwater supply are considered significant and unavoidable.” Within the MVGB, where there are mechanisms in place to monitor groundwater levels, impacts would be less than significant. This comment has been noted and will be further considered by the County. No changes have been made to the FEIR.

**Response to Comment K-32.** The commenter recommends on-site localized mandatory groundwater recharge and notes a number of eligible parcels have on-site ponds. The commenter notes this is a feasible mitigation measure and cites policy 11.3 in the General Plan.

The County does not believe that this is a feasible mitigation measure. Requiring the creation of groundwater recharge ponds for cannabis cultivation would single out cannabis cultivation from other agricultural production, outside of the scope of what is allowed by state law, and create an undue burden not imposed on other agricultural producers. This requirement would in effect, single out commercial cultivation, create unnecessary costs, and treat them differently than other agricultural producers (as defined by state law). Additionally, as discussed in **Response to Comment K-4**, above, the specific constituency of sites that may or may not be used for commercial cultivation is not known. The make-up of some sites could render some sites unable to meet this requirement.

**Response to Comment K 33:** The commenter notes vague mitigation measures in Section 4.8 Hydrology and Water Quality and requests additional clarification. The commenter is correct that compliance with regulations is not mitigation.

The referenced section does not include mitigation measures. The section; however, does require all cannabis projects to completely comply with all water quality regulations set forth by the applicable Regional Water Quality Control Board (Central Valley or Lahontan), SWRCB regulations, as well as the regulations set forth by CDFA in their recently adopted regulations pertaining to Cannabis Cultivation on

January 16, 2019. The DEIR found that compliance with applicable regulations, as verified by County staff prior to permit issuance, would reduce these impacts to less than significant. Additionally, the FEIR has been revised to include clarification on additional state-level screening, and subsequent CEQA evaluation on a project by project basis. These inclusions would further ensure impacts are remain less than significant or are further reduced. The commenter is referred to **Response to Comments C-6, C-17, C-18, C-30, and F-2 through F-13** regarding inclusion of Comments from CVRWQCB, and **Response to Comments G-6, G-7, G-8, G-9** from the LRWQCB

**Response to Comment K-34:** The commenter requests clarification on the applicable RWQCB policies and the finding of less than significant. The commenter is referred to **Response to Comment K-33**, which provides the responses in which SWRCB, CVRWQCB, and LRWQCB above requirements are discussed as well as the CDFA regulations.

**Response to Comment K-35:** The comment refers to the tiered approach and additional review that would be undertaken by the County. The commenter is referred to **Response to Comment C-2**, which provides additional detail on required subsequent CEQA review and **Response to Comment C-6**, which provides additional detail on the project review checklist. The comment is noted but it does not question or comment on the DEIR or adequacy thereof. No further response is required.

**Response to Comment K-36:** The commenter discusses conformance to County Code Section L-II 4.3.17 Watercourses, Wetland, and Riparian Areas in terms of mitigation. The Commenter also requests BMP's including soil building and soil health monitoring. The commenter is referred to **Response to Comment K-33**, regarding mitigation and **Response to Comment K-8** regarding soil building.

**Response to Comment K-37:** The commenter makes reference to a mitigation measure (Section LLO-II 4.3.17) in regard to purchase of compensatory habitat acreage and requests clarification regarding the term, "comparable or superior quality," and "assurances." Comparable or superior quality is habitat that provides habitat that is equal to or better than that taken. Assurances from the bank developer include financial mechanism that guarantees that bank will be established and completed. This comment was provided for clarification per the request of the commenter and no further response is required.

**Response to Comment K-38:** The commenter notes the requirement for sedimentation and erosion control plans. The Commenter recommends the County provide additional requirements on the required elements of the plan. The sedimentation and erosion control plans will include specific measures such as best management practices for developed on a site by site basis and included into a plan such as a Storm water Pollution Prevention Plan (SWPPP) by a qualified professional such as Qualified Industrial Stormwater Practitioners, Qualified SWPPP Developers, or Qualified SWPPP Practitioners.

**Response to Comment K-39.** The commenter elaborates on the comment above requesting additional information on the term "qualified professional" and requests a list of local experts to assist. The commenter is referred to **Response to Comment K-38**.

**Response to Comment K-40:** The commenter requested the Yuba River Watershed be identified as being impacts by cannabis cultivation. Page 4.8-3 of *Section 4.8 Hydrology and Water Quality*, the FEIR has been revised to reflect the SRWCB has designated the Yuba River Watershed as a "Cannabis Priority Watershed." Identification as such does not change the permitting process and future commercial

cannabis cultivation projects but places additional scrutiny by increasing both permitting outreach and enforcement efforts in Cannabis Priority Watersheds.

**Response to Comment K-41:** The commenter disagrees with the County use of the No Groundwater Cultivation Alternative stating that it is infeasible. The commenter cites their previous NOP comments and states the County selected a range of alternatives that are infeasible and do not actually lessen or mitigate environmental impacts. The Commenter recommends the No Groundwater Alternative be removed from consideration. The commenter then notes that factors that may be taken into consideration are economic feasibility and availability of infrastructure.

State CEQA Guideline §15126.6 – Consideration and Discussion of Alternatives to the Proposed Project (a) states:

“Alternatives to the Proposed Project. An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project. Rather it must consider a reasonable range of potentially feasible alternatives that will foster informed decision making and public participation. An EIR is not required to consider alternatives which are infeasible. The lead agency is responsible for selecting a range of project alternatives for examination and must publicly disclose its reasoning for selecting those alternatives. There is no ironclad rule governing the nature or scope of the alternatives to be discussed other than the rule of reason.”

The County developed the No Groundwater Cultivation Alternative in an effort to reduce impacts to groundwater, which was found to be a significant and unavoidable impact. In addition, numerous public comments during the scoping process were received regarding the loss of groundwater, and specifically regarding wells adjacent properties with cannabis cultivation going dry. Accordingly, State CEQA Guideline § 15126.6 (b) states:

“Purpose. Because an EIR must identify ways to mitigate or avoid the significant effects that a project may have on the environment (Public Resources Code Section 21002.1), the discussion of alternatives shall focus on alternatives to the project or its location which are capable of avoiding or substantially lessening any significant effects of the project, even if these alternatives would impede to some degree the attainment of the project objectives, or would be more costly.”

In Section 5.0 Alternatives, each alternative including the No Groundwater Cultivation Alternative was discussed. The No Groundwater Cultivation Alternative, was found to substantially reduce impacts to eight resource areas, minimally reduce impacts to two resource areas, and result in the same or similar impacts to six resource areas. This result is consistent with the intent of the Alternatives Analysis.

**Response to Comment K-42:** The commenter states the No Groundwater Cultivation Alternative is infeasible because it would place additional stress on surface water resources. The County disagrees with the commenter. The Commenter is referred to page 6-24 of *Section 6.0 Alternatives*, which discusses that impacts to groundwater would be substantially reduced, and while it acknowledged that some additional cultivation may choose to utilize diversions from instream and spring sources. However, not all parcels

have such water sources; therefore, the total number of potential cultivation sites would be reduced thereby reducing the overall impact.

**Response to Comment K-43:** The commenter states that the No Groundwater Cultivation Alternative is fiscally irresponsible and not feasible with existing infrastructure requiring additional water infrastructures to be constructed and increase the strain on surface waters. As discussed in **Response to Comment K-42**, it is expected that some cultivation sites would utilize groundwater; however, under this alternative overall cultivation would be anticipated to be reduced. Additionally, it is anticipated that some cultivation could use NID water; however, if NID determined that adequate infrastructure was not available to serve a particular site and similarly, if adequate surface water supply was not available, NID is under no obligation to provide new infrastructure or water service for cannabis cultivation. The commenter is Referred to **Response to Comment J-12** and **J-13** regarding NID service and supplies.

**Response to Comment K-44:** The commenter states that the No Groundwater Cultivation Alternative is infeasible due to lack of enforcement capacity. The comment is noted. The County also notes that the commenter is correct that existing cultivation already uses groundwater. The enforcement of these cultivation areas would be undertaken the same way as for other cultivation areas that fail to obtain or apply for a County permit. This alternative would not place any additional burden on enforcement of the proposed NCCO, and arguably would make it easier to enforce due to the reduced number of eligible parcels, thereby making it easier for authorities to locate unpermitted cultivation sites.

**Response to Comment K-45:** The commenter states that the No Groundwater Cultivation Alternative would lead to increased environmental impacts citing additional trucked in water leading to additional air quality impacts, traffic and road maintenance, and overall increase impacts to the watershed. The commenter is referred to **Response to Comment K-41** and **K-42**. More specifically, because of the anticipated overall reduction in commercial cannabis cultivation under this alternative the DEIR found that impacts to Air Quality, Hydrology and Water Quality, and Traffic and Circulation would be reduced.

**Response to Comment K-46:** The comment states that the No Groundwater Cultivation Alternative could be legally infeasible because it could be considered a taking of a property. The County does not believe this alternative would rise to the level of taking. The County would not be prohibiting the use of or annexing a portion of any one property. Under this alternative the County would be setting rules and regulations for the purpose of protecting the environment. It should be noted that this alternative was developed as part of the CEQA process in developing a reasonable range of alternatives. The County is not proposing this alternative be adopted. The commenter is referred to **Response to Comment K-41**. In addition, groundwater is not the only source of water available for cultivation. Cultivators have the options of using diversions from springs or other watercourses, rainwater catchment from overland flow, rainwater catchment from rooftops and hardscape structures, as well as using water from a municipal supplier. With all these available methods, the County maintains there is a reasonable ability for people to cultivate should they want without the use of groundwater. No further response is required.

**Response to Comment K-47.** The commenter recommends the No Groundwater Cultivation Alternative be removed from consideration. Even though the County found this alternative to reduce overall project impacts, it was found to be infeasible finding that a large focus of the proposed project is to provide a mechanism to permit and regulate existing as well as future cultivation operations. This alternative would

substantially reduce the ability of the County to focus on that effort. Therefore, while environmental impacts would be reduced, this alternative would conflict with the regulatory intent of the proposed NCCO

**Response to Comment K-49:** The commenter reiterates that the No Groundwater Cultivation Alternative be removed and the County focus on adjusting baseline and feasible mitigation. The commenter is referred to **Master Response 1**, and **Response to Comment K-12** and **K-18** regarding a discussion of the environmental baseline and **Response to Comment K-3, K-4, K-6, K-20, K-21, K-27, K-24, K-33, K-36, and K-37** regarding alternative, groundwater, and mitigation.

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**From:** Don Rivenes <rivenes@sbcglobal.net>  
**Sent:** Monday, February 25, 2019 10:34 AM  
**To:** Planning <Planning@co.nevada.ca.us>  
**Subject:** Re: Nevada County Cannabis Ordinance (NCCO) Draft Environmental Impact Report (DEIR)

February 24, 2019

Nevada County Community Development Agency  
950 Maidu Avenue  
Nevada City, CA 95959

Sent by email to: [planning@co.nevada.ca.us](mailto:planning@co.nevada.ca.us)

-

To: Brian Foss Planning Director

Thank you to the County for requiring that an Environmental Impact Report be done for this Project. We are commenting on behalf of Community Environmental Advocates.

### General comments

In reviewing the Nevada County Cannabis Ordinance (NCCO) Draft Environmental Impact Report (DEIR) we were struck by the enormity of this Project – allowing the commercialization of our rural environment is a very big leap! We had always thought that cannabis should be legalized, using the medicinal attributes of the plant and not making felons of the those who wish to smoke it recreationally.

However, in viewing it as a commercial operation throughout all of 27,207 parcels zoned AG, AE and FR, not including residential parcels, should we then consider those acres as an industrial landscape? Should it be confined to one portion of the county only as an Alternative?

We would also point out that the figures cited for future cannabis cultivation may not be entirely accurate. It's possible that the small local growers may not choose to pay attention to the Ordinance and grow quietly as they have in past. They might take their chances of detection just as they have all along. It may be too rigid, too expensive to become legal.

L-1

L-2

L-3

L-4

## Specific Concerns

Are the numbers correct in all categories described in the DEIR? 27,207 parcels available for cannabis cultivation plus the possibility of small grows on smaller parcels without permission? The DEIR states that 3500 grows were identified pre-ordinance, but those did not seem to be included in discussion. In order to make an informed judgment on the adequacy of the DEIR, the numbers should reflect all the possible numbers under consideration.

L-5

As we tried to envision Nevada County as a commercial cannabis growing region, we thought of Sonoma and Napa Valleys whose landscape is covered with wine grapes, large fenced acreages all along the roads – very little quality habitat for wildlife in between. Is that the future reality for Nevada County?

L-6

The DEIR uses the existing Land Development Code as being the basis for enforcement of all the siting, building, drainage, lighting, tree removal, energy impacts and more. Are the County's code requirement standards up to date to meet all the demands that they may be needed to meet? As an example, fencing types, heights may need to be revisited to find a more acceptable aesthetic standard and limiting the number of acres of fence to allow wildlife continuity and disbursement.

L-7

Similarly, the DEIR shows a light shield on a "hoop" greenhouse which still has light emitting brightly from below the shield. And standard greenhouses with lights used all night would be an aesthetic problem for neighbors. There needs to be specific attention to the County Code section which controls the spill of light from outdoor lighting and interior all-night lighting such as unshielded greenhouses. MM AES-2 needs to be strictly enforced.

L-8

The County's tree ordinance allows cutting of trees up to 30 inches, but in clearing for cultivation, some smaller dimension trees of value may be slated for cutting. I would suggest the County revisit its tree ordinance and give more weight to the importance of maintaining hardwoods, necessary in our environment, that are more fire resilient and should not be cut above 12 inches. A Protected Tree Avoidance mitigation measure (MM AES-1) does not go beyond Heritage trees and Landmark groves and trees. Addressing tree clearance needs a stronger mitigation to protect the environment.

L-9

## Greenhouse Gas Emissions

The DEIR states as follows:

*CALIFORNIA'S ENERGY EFFICIENCY STANDARDS FOR RESIDENTIAL AND NONRESIDENTIAL BUILDINGS (TITLE 24) The California Code of Regulations Title 24, California's energy efficiency*

L-10

*standards for residential and non-residential buildings, was established by the CEC in 1978 in response to a legislative mandate to create uniform building codes to reduce California's energy consumption, and provide energy efficiency standards for residential and non-residential buildings. In 2013, the CEC updated Title 24 standards with more stringent requirements.*

In 2019, the California building code will be updated from 2016 standards (not mentioned in the DEIR cited above) to require Zero Net Energy (ZNE) compliance in all new single-family residential construction as of January 1st 2020 (the ultimate goal is for all new commercial construction to be ZNE as of January 1st 2030).

The DEIR states:

*"In addition to Title 24, Part 6 of the California Code of Regulations, the County shall promote energy efficiency and alternative energy sources for new and rehabilitated housing using incentives and site plan review recommendations, which shall include the following: Passive solar design to maximize solar energy capture;"*

In Table 4.17-3 on page 4.17-12, it shows total greenhouse gas emissions for operations of 418,182,216 KWh based on maximum buildout (*"while it is not likely that every parcel would be used to cultivate cannabis, in this and other sections worst case scenario is assumed for the purpose of ensuring a complete CEQA analysis"*).

The DEIR concludes: *"Therefore, taken in sum with the other operational energy demands of the proposed project, impacts would be significant and unavoidable.*

*MITIGATION MEASURES No feasible mitigation measures have been identified.*

*LEVEL OF SIGNIFICANCE AFTER MITIGATION Significant and Unavoidable. The proposed project would result in a substantial increase in energy demand during operations. As discussed above, a relatively worst-case scenario was evaluated with reasonable reductions based on known constraints and likely cultivation types and energy uses. Even with the reductions, energy use at project buildout would be approximately 50% of the existing countywide use. There is no mitigation that would be feasible to reduce these impacts to less than significant. Impacts would remain significant and unavoidable."*

The DEIR goes on to say: *"While all of the above would be required and projects would be required to comply with energy saving regulations, it is possible that due to the substantial increased energy demand expected as part of the proposed project, the local and or regional energy supplies could become constrained resulting in an effect on peak and base periods of demand for electricity. Although, as discussed above, the proposed cultivation sites would be phased in over time, if that pace becomes too rapid or more parcels are developed for cultivation than anticipated, a substantial increased demand for energy could result. Thus, impacts to regional energy supplies would be significant and could require construction of new electrical generation and/or transmission facilities."*

L-10  
cont'd

L-11

The Nevada County Energy Action Plan (EAP) currently proposed for adoption by the Board of Supervisors states: *To inform the plan, Sierra Business Council (SBC) first evaluated the utility-supplied energy used in the entire community by the residential and non-residential sectors, including the City and public agencies. This evaluation found that the community - including residential, non-residential, county, and public agencies - consumed 344,045,975 kilowatt hours (kWh) of electricity in 2017. The 2035 "business-as-usual" forecast of annual energy use showed that electricity consumption would increase to 398,323,245 kWh in 2035.*

The goal of the plan is to reduce the projected annual grid supplied electricity use in 2035 by 51%, which translates to annual energy savings of 202,936,611 kWh of electricity leaving about 195,386,634 kwh still being used.

If renewable installations go as projected by the EAP, there will be production of 81,000,000 kwh from solar, and 30,000,000 kwh from wind or more than half of the projected savings.

The 418,182,216 KWh projected for cannabis production equals twice the amount of energy left after all of the measures the county takes to reduce its energy use. Even if only half of that cannabis energy projected in the worst case scenario is used for cannabis production, it will equal all other County projected use after renewable energy is installed.

L-11  
cont'd

### **Mitigation of greenhouse gas emissions**

It is not true that "there is no mitigation that would be feasible to reduce these impacts to less than significant. Impacts would remain significant and unavoidable".

The County should make it a requirement to conform to the 2019 Title 24 Chapter 6 Building requirement of zero net energy and apply the standards to any structure built or modified for use for marijuana cultivation. Either solar PV or wind renewables must be used to fulfill this requirement. Otherwise, there is no hope of meeting the County Energy Action Plan goals and meeting California energy goals.

L-12

### **Confusion of zoning designations**

The DEIR seems to have an invented a zoning called R-A.

The zoning ordinance for Nevada County has the designation:  
"RA" (Residential Agricultural)

*The "RA" District establishes provisions for low density single-family dwellings, as well as other dwelling unit types in keeping with the rural character of the area, at densities equivalent to 1.5 acre minimum parcel size, or 3 acre minimum parcel size where neither a public water nor public sewer system is available. Within the Residential and Estate General Plan designations, the single-family dwelling is of primary importance and agricultural uses are secondary. Within Rural General Plan designations, agricultural and residential uses are of equal importance."*

L-13

There is no R-A designation.

In the DEIR section 10.0 COMMONLY USED ACRONYMS AND ABBREVIATIONS there is no R-A designation.

Use of the R-A designation leads to confusion as to evaluate the possible cannabis cultivation.

In Table 2.1 (page 2.3) there is a reference to “RA (Regardless of Zone Designation), and TPZ” in the main table and then in an explanation at the end of the table, it refers to *Abbreviations: R-1 (Single Family); R-2 (Medium Density); R-3 (High Density); **R-A (Residential Agriculture)**; AG (General Agriculture), AE (Agriculture Exclusive), FR (Forest), TPZ (Timber Production Zone).*

On page 3-22:

*“The proposed project would allow for the cultivation of cannabis for personal use within eight zoning classifications.*

*Cultivation for personal use would be allowed in four residential zone classifications including: R-A (Residential Agriculture).*

*Commercial cannabis cultivation would be prohibited in the following zone districts: R1, R2, and, R3 (High Density); R-A (Residential Designation) zones; and TPZ (Timber Production Zone).”*

Table 3-2 on page 3.23 shows RA (Residential Designation) on one line and R-A (Rural and Estate Designation) on the following line.

On Page 4.2-15

*“The proposed NCCO distinguishes between personal use cannabis cultivation and commercial use cannabis cultivation. For personal use cannabis cultivation, up to six cannabis plants would be allowed in eight zone classifications for indoor cultivation only: R-1 (Single Family); R-2; Medium Density); R-3 (High-Density); **R-A (Residential Agriculture)**; AG (General Agricultural); AE (Agriculture Exclusive); FR (Forest); and TPZ (Timberland Production Zone). Within these zone classifications, personal use cannabis would be allowed to be cultivated as follows:*

- *R-1, R-2, R-3 and R-A (Residential Designation):*
  - *Indoors: Maximum of six plants, mature or immature.*
  - *Mixed Light, or Outdoors: Cultivation is prohibited.*
- *R-A (Rural and Estate Designation (Parcels of 5 acres or more)):*
  - *Indoors, Mixed-Light and Outdoors or a combination of methods: a maximum of six plants, mature or immature”*

Please provide an explanation of the R-A designation and where it is defined in the Nevada County zoning ordinance, so that a proper evaluation of the DEIR can be made. Then please be consistent in its use, so the impacts can be analyzed properly.

Sincerely,

*Barbara L. Rivenes*

*Donald L. Rivenes*

Barbara and Donald Rivenes  
Community Environmental Advocates (CEA)  
email: [info@cea-nc.org](mailto:info@cea-nc.org) website: [www.cea-nc.org](http://www.cea-nc.org)

108 Bridger Ct  
Grass valley, CA 95945

L-14  
cont'd

## Response to Comment Letter L - Barbara and Donald Rivenes

**Response to Comment L-1:** The commenter provides an introductory remark about the comments and that they are on behalf of the Community Environmental Advocates. No environmental issues or concerns were raised in the first summary paragraphs; therefore, no further response is necessary.

**Response to Comment L-2:** The commenter notes that the project is large in scale. The proposed project encompasses that entire area of unincorporated Nevada County and covers the entire as do other portions of the County Zoning Ordinance. No environmental issues or concerns were raised in the first summary paragraphs; therefore, no further response is necessary.

**Response to Comment L-3:** The commenter questions using AG, AE, and FR parcels and transforming them into an industrial landscape and questions only using one portion of the County for cultivation. The use of the proposed zoning designations is consistent with agricultural uses and would do not include any industrial uses.

The commenter is referred to Section 6.0 Alternatives for a discussion of the reasonable range of alternatives under the proposed project. The use of one portion of the County was not an option that was discussed or considered. The County would maintain that such an option would likely deprive a large number of people and groups the opportunity to cultivate on AG, AE, or FR zoned areas, would be arbitrary and capricious, and would not protect people equally. The County does not that two of the proposed Alternatives, the No Groundwater Cultivation Alternative and the 30 percent of Parcels Cultivation Alternative would substantially reduce the overall number of parcels on which cultivation could occur.

**Response to Comment L-4:** The commenter notes that the existing estimates may not be entirely accurate, and cultivators may continue to cultivation illegally. The County understands that the use of approximately 3,500 existing operations is estimate but is based on numerous data sources from the County and in cooperation with growers in the County. The County understands that some cultivators will likely continue to cultivate illegally. As both local and state resources allow, applicable laws and regulations will be enforced against these parties as resources allow.

**Response to Comment L-5:** The commenter questions the use of 27,207 parcels and estimated 3,500 existing grows. Regarding the use of 27,207 parcels the commenter is referred to **Master Response 1, Response to Comment K-4 and K-12**. The County acknowledged that illegal cannabis cultivation will occur. However; the intent the proposed project is to permit commercial cannabis cultivation. It should be noted, that using the permitting process and having a record of parcels on which cultivation has been permitted of for which applications are filed, it could make it easier for local and state enforcement on unpermitted parcels.

Regarding the 3,500 existing parcels, Section 3.0 Project Description states:

“This estimate is based the experience of County staff, other anecdotal evidence based on nuisance claims and some limited aerial photography, as well as information provided during the CAG process from stakeholders and other interested parties. The actual amount could be more or less than this number. Because these existing cannabis grows operate illegally, there is no mechanism for tracking existing cannabis operations.”

**Response to Comment L-6:** The commenter makes a generalized statement regarding the visual appearance of cannabis farms within the landscape with a secondary effect of little wildlife habitat.

The comment is noted, and the commenter is referred to *Section 3.0 Project Description*, which defines the parcel size and allowable cultivation areas, *Section 4.2 Aesthetics*, which discusses the visual impacts, and *Section 4.4 Biological Resources*, which discusses impacts to wildlife. While there are 27,207 parcels appropriately zoned, as discussed on page 3-32 of the DERI:

“This assumption represents a conservative analysis in that it is unlikely that every eligible parcel would be build out and used for cannabis cultivation. Aside from meeting the required zoning and parcel size, commercial operations must also meet the cultivation area requirements of the proposed ordinance, as well as other requirements such as setbacks from sensitive uses, having a legal residence on the property or adjacent to the property, and having electrical and water service that meet State and County building code requirements. This would likely eliminate many of the most remote and rural parcels. Other parcels may be eliminated due to physical constraints (e.g., steep slopes or inadequate roadways) or regulatory constraints (e.g., wetlands, oak woodlands, or other environmentally sensitive habitat impacts). For these reasons assuming that all eligible parcels could be used for cannabis cultivation represents a worst-case analysis.”

In addition, as discussed in *Section 4.9 Land Use*, approximately 1.1% of each appropriately zoned parcel could contain cannabis. This would substantially reduce the visual footprint of cultivation areas. As stated in *Section 4.2 Aesthetics*, cultivation areas would have to be properly screened from views of public rights-of-way and other areas to reduce visual intrusion.

Lastly, the commenter is referred to **Response to Comment B-4 and C-19** regarding impacts to wildlife.

**Response to Comment L-7:** The commenter questions use of the Land Use and Development Code as the basis for reducing impacts and asks if they are up to date. The commenter states that a more acceptable aesthetic standard may be needed to allow wildlife continuity.

The County Land Use and Development Code and associated Management Plans were used throughout the document. The commenter is referred to **Master Response 3, Response to Comment B-4, B-5, B-8**. The Commenter also is referred to *Section 4.4 Biological Resources* Impact 4.4-4 and Impact 4.4-5 both of which discuss impacts to wildlife movement/migration. In both instances, through the use of wildlife inventories and studies needed for permits, as well as mitigation, and conformance with County and State (CDFA and CDFW) regulation, and subsequent project by project CEQA reviews, impacts would be reduced to less than significant.

**Response to Comment L-8:** The commenter notes spill light and the potential for light to escape. The commenter states that mitigation Measure AES-2 needs to be strictly enforced. The County agrees with the commenter. As part of the permitting process, all applicants will be required to submit a lighting plan describing how spill light and glow will be reduced. In addition, the County and law enforcement will be as responsive as possible to complaints regarding nighttime lighting.

**Response to Comment L-9:** The commenter suggests stronger mitigation than AES-2 for protection of trees. The County cannot prohibit the taking of timber on a project parcel. However; the commenter is

referred to **Response to Comments B-4** biological resources surveys, and **Response to Comments D-1, D-2, Master Response 3**, for other protections for tree and timber resources.

**Response to Comment L-10:** The commenter notes Title 24 energy standards and the Nevada County Energy Action Plan (EAP). The Commenter also notes that cultivation under the proposed NCCO, were it to be completely build out would use all the energy currently used by the County. The commenter is correct in this conclusion and hence, the impacts in *Section 4.17 Energy*, were found to be significant and unavoidable.

The commenter is referred to **Response to Comment I-3 and C-2, C-21**, and **Response to Comment C-21, I-3, K-21, K-22, L-11, N-6, O-346, O-347**, and **O-397** for revisions to the FEIR that include projected energy use and requirements for use of renewable energy.

**Response to Comment L-11:** The commenter notes that there is mitigation available to reduce greenhouse gas emissions and the County should make conformance to the 2019 title 24 building standards a requirement. The County is committed to the use of renewable energy and the EAP. The commenter is referred to **Response to Comment C21** regarding conformance to the revised (January 16, 2019) CDFA regulations §8305 Renewable Energy Requirements and **Response to Comment C-21, I-3, K-21, K-22, L-11, N-6, O-346, O-347**, and **O-397** regarding overall energy use and renewable energy.

**Response to Comment L-12:** The commenter states that it is not true that there is no mitigation available and says the County should make conformance to Title 24 mandatory. The commenter is referred to **Response to Comment L-11** above. The County would be required to conform to the listed regulations to reduce emissions. Because they are required regulations they are not considered mitigation measures.

**Response to Comment L-13:** The commenter notes discrepancies with RA and R-A. These discrepancies have been revised for clarity in the FEIR.

Regarding Table 2-1 and 3-2, the parenthesis (Residential Designation) and (Rural and Designation) refer to those areas that are as designated as such in the General Plan. A note has been added to the table for clarity.

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**From:** Jan and Curtis Howard <jan\_and\_curtis@hotmail.com>  
**Sent:** Monday, February 25, 2019 2:18 PM  
**To:** Planning <Planning@co.nevada.ca.us>  
**Subject:** COMMENTS ON DRAFT ENVIRONMENTAL IMPACT REPORT - Nevada County Commercial Cannabis Cultivation Ordinance Project

PLEASE ACKNOWLEDGE RECEIPT OF THIS E-MAIL SINCE THE DEADLINE FOR COMMENTS IS TODAY AT 5 PM. THANK YOU.

February 25, 2019

To: Nevada County Planning Commission  
Re: Draft Environmental Impact Report - Nevada County Commercial Cannabis Cultivation Ordinance Project

We moved from El Dorado County to Nevada County last summer and are renting a house in Grass Valley. We plan to build a house on a lot in the northeast section of the Darkhorse development that's near several large parcels zoned AG. There are a few smaller areas zoned AG close to the Darkhorse Golf Course and existing homes and lots.

M-1

Our overriding concern is that the EIR dismisses the THIRTY PERCENT CULTIVATION ALTERNATIVE which is environmentally superior and that still allows the County to meet its objective of providing a legal and regulated process for commercial cannabis cultivation in the County.

From the EIR: THIRTY PERCENT CULTIVATION ALTERNATIVE: *...would reduce the number of eligible parcels zoned, (AG, AE, or FR) within the County that could be used for commercial cannabis cultivation from 100% to 30%...the State CEQA Guidelines states that if the "No Project" alternative is found to be environmentally superior, the EIR shall also identify an environmentally superior alternative among the other alternatives...Based on the evaluation undertaken, the Thirty Percent of Parcels Alternative is the environmentally superior alternative...However, the limited number of allowed permits would substantially hinder the County's objective of providing a legal and regulated process for commercial cannabis cultivation in the County.*

We strongly disagree with the EIR conclusion that limiting the number of permits would hinder the County's objective of providing a legal and regulated process for commercial cannabis cultivation in the County. The alternative would provide an orderly, manageable process described in the EIR as "first-come-first-serve" issuance of permits for growers who can meet all the requirements. The EIR estimates this alternative would allow 8,162 permits. Given the EIR estimated number of 3,500 currently illegal grows, such a process allows plenty of permits for those growers and more. There is no mandate that the County jump into allowing outdoor commercial cannabis cultivation by issuing permits for cultivation on 100 percent of parcels zoned AG, AE, or FR. The 30 percent alternative meets all the County's stated objectives:

M-2

- Provide streamlined licensing program with a framework for commercial cannabis cultivation in specific land use designations;
- Be responsive to public comments and provide legal entry to the cannabis market;

- Reduce potential adverse effects on sensitive site and populations;
- Reduce potential adverse effects on the environment from existing cultivation;
- Implement procedures meant to reduce energy consumption, water overdraft, obnoxious odors, noise, hazardous materials, fire, or effects on natural resources including streams, wetlands, and sensitive plants and wildlife; and
- Result expansion of the County tax base

M-2  
cont'd

Therefore, the EIR should have recommended that the Thirty Percent Cultivation Alternative be adopted in accordance with the California Environmental Quality Act. And aside from the issue of violating CEQA, our question is why would the County not want to offer a path for illegal growers to become regulated, offer a limited number of permits, assess community impacts of regulated commercial cannabis cultivation at 30 percent, observe best practices, determine the degree of County tax base expansion, and then if the experiment goes well, open up more parcels to cannabis cultivation? This seems like a win-win situation to us.

M-3

Our other concern is that the draft EIR does not adequately address an issue that seems to be one of the most controversial in California counties and communities in States allowing or considering allowing commercial cannabis cultivation. It is evident and well-documented that without strict odor control measures and enforcement, large-scale commercial marijuana grows on parcels surrounding neighborhoods have a negative impact on neighborhoods. Cannabis produces a strong odor during the 2-4 months flowering stage and at other stages. Depending on the strain and concentration of terpenes, the odor intensity varies. At public hearings on cannabis policy held by Sonoma County's board of supervisors, residents who live near cultivation complained about the pungent smell — especially at harvest. The smell can drift 1,500 yards (8/10 of a mile), according to comments at the hearings. Supervisors responded by banning cultivation in rural-residential zones.

Residents in a community near Eugene, Oregon and located 2 miles from a commercial cannabis cultivation site, write, "We have experienced an incredible olfactory assault that shocks even those among us who have lived amid smaller-scale marijuana grows in northern California. For months, the intense, skunk-like, eye-watering stench prevented us from opening our windows and doors to cool our houses on summer nights, raising nighttime temperatures to unhealthy levels and causing sleep deprivation and anxiety."

M-4

If our Auburn lot were on the Placer County side, it would be located in a community that prohibits all commercial cannabis cultivation and whose Executive Officer wrote to the County Supervisors, "Cannabis plants grown outdoors, as they begin to flower and for a period of two months or more during the growing season, produce an extremely strong odor that is offensive to many people and detectable far beyond property boundaries. The strong smell may create an attractive nuisance, alerting persons to the location of the cannabis plants, thereby creating a risk of burglary, robbery, armed robbery, assault, attempted murder, and murder."

This is a question for the EIR consultants and County staff: What data or information on odor drift have you collected? Have you, and if not, will you, provide such information to the Planning Commission, the Board of Supervisors and the public?

From the EIR: *The cultivation activities during the growth and maturation phases have the potential to result in objectionable odors that would be detectable to nearby residences and groups of people. Even with the required 100-foot setback of canopy from the property line and proposed mitigation, these impacts also would be significant and unavoidable. Cultivation, however, in terms of impacts to sensitive receptors through the use of the 1,000-foot buffer requirements, would be less than significant.*

M-5

We strongly disagree with the finding that the significant odor impact on nearby residences is "unavoidable". It's true that odor produced by cannabis plants is unavoidable. But it's not true that the negative impact of cannabis cultivation odor is unavoidable. Restricting grows to areas that are outside the "odor drift zone" of nearby neighborhoods, requiring growers to describe odor control/monitoring prior to issuing permits, and strict enforcement potentially

M-6

could reduce the impact of odor to “insignificant after mitigation”. The EIR should include a recommended amendment to the draft NCCO to require, as a permit prerequisite, growers must provide an Odor Abatement Plan (for indoors and outdoors) that must prevent odors from being experienced within residential zones, including selection of cannabis strains that are less smelly. Odors from outdoor grows can be harder to control, but we have read about technologies that can encapsulate odors at their source. Some illegal growers have been able to control and monitor odor over the years to avoid detection.

Requiring an Odor Abatement Plan would head off the problem to a certain degree. Using the permitting process to require odor mitigation upfront is better than relying on complaint-driven enforcement after the fact. Rather than writing off the odor impact as unavoidable, the EIR should include discussion of existing and emerging technologies designed to measure intensity of smells and to capture odors at the source, particularly for outdoor grows, and to otherwise mitigate odors. The EIR consultants and County staff should advise the Planning Commission and the Board of Supervisors regarding what could be required of growers to avoid the odor problem that the EIR incorrectly deems unavoidable. Santa Barbara County regulations appear to be a good model for an Odor Abatement Plan. (Pages 44-46 of LAND USE DEVELOPMENT CODE- ORDINANCE NO. 5027).

M-6  
cont'd

As we've stated, odor can drift far beyond 1,000 feet. Therefore, we disagree with the EIR finding that the impact of odor on “sensitive receptors” is “less than significant” simply because there's a requirement for a 1,000-foot setback. Why does the County seek to protect “sensitive receptors” (children) and “sensitive sites” (school, church, park, daycare, youth-oriented facility), but not at home in their neighborhoods where they spend the most time? For example, Santa Barbara County where odor from cannabis cultivation is a significant problem, prohibits cultivation in AG zones “within 1,500 feet of a residential zone, school, day care center or youth center”. Further Santa Barbara County requires growers to have an Odor Abatement Plan that must prevent odors from being experienced within residential zones.

M-7

The draft EIR should change its assessment of the impact to “sensitive receptors” as being “significant” and suggest mitigation by a revision to the draft NCCO to match Santa Barbara County rules -- at least 1,500 feet from sensitive sites. The definition of “sensitive site” should include residential neighborhoods.

We noted that during at least one of Nevada County Board of Supervisor Public Hearing, a speaker offered the idea of establishing areas of inclusion and exclusion related to commercial cannabis cultivation. Such an approach would not rely solely on existing zoning designations to decide where cultivation would be allowed. Instead, the County would designate a neighborhood buffer zone of, for example, a mile around area residential neighborhoods. If a portion of an AG-zoned parcel falls within the buffer zone. Setbacks for the cannabis canopy would start from the edge of the buffer zone. County staff should further investigate this idea and present findings to the Planning Commission and the Board of Supervisors regarding how it could be implemented.

M-8

*From the draft NCCO reviewed in the draft EIR: Cannabis Cultivation shall not adversely affect the health, safety, or general welfare of persons at the Cultivation site or at any nearby residence by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, light, or vibration...The Cultivation of Cannabis shall not subject residents of neighboring parcels who are of normal sensitivity to reasonably objectionable odors.*

Why does the rule about odor have added subjective qualifiers when none of the other adverse effects do? What does “normal sensitivity” mean? This could be interpreted to mean that if you have asthma, compromised immune system, or a severe sensitivity to odors, the restriction doesn't apply. What does “reasonably objectionable” mean? Most people think skunk odor is offensive, so would that odor be reasonably objectionable? The draft EIR should include recommended revision to the draft NCCO to say, “Cultivation of cannabis shall not subject residential zones to odors”. This would remove the internal conflict of this section and subjectivity. If the growers stop the odor before it wafts through the air, people will not be subjected to odor, and there will be fewer complaints. To quote a Santa Barbara grower at a public hearing who says he wants to make this (commercial

M-9

cannabis cultivation) work, “We need 100 percent odor control and 100 percent compliance.”

M-9  
cont'd

From the EIR in the section on AIR QUALITY AND GREENHOUSE GAS EMISSIONS: *Because the proposed project at total build-out would result in these significant air quality impacts, and would conflict with applicable air quality plans, it is considered to contribute to significant cumulative air quality impact. Similar to emissions of criteria pollutants, construction and operations of commercial cannabis cultivation and cultivation for non-remuneration also would produce GHGs in exceedance of allowable thresholds. The proposed project includes mitigation measures to reduce these impacts; however, impacts in this regard would remain significant and unavoidable...Although the proposed NCCO would violate the above-listed quality thresholds; all existing and new cannabis cultivation would be required to comply to applicable greenhouse reduction strategies. Therefore, the proposed project would not conflict with the actual statewide strategies to reduce GHG emissions. Impacts would be less than significant in this regard NCCO would result in significant impacts related to air quality and greenhouse gas emissions that exceed allowable thresholds.*

M-10

This EIR finding should be clarified. The passage seems to say that emissions will unavoidably result in violations and the County would be relying on State enforcement of air quality standards violations. If that's the case, the EIR should recommend that the draft ordinance require growers to explain how they will prevent exceeding allowable thresholds of air quality impacts before getting a permit.

We can provide links to articles and resources we've used in preparing these comments at your request. The items include horror stories of neighborhoods where people are virtually trapped in their homes unable to tolerate the stench from nearby pot farms, of people forced to file lawsuits to get relief, of property de-valuation, of government offices being inundated with complaints, and of deterioration of citizens' quality of life.

Some of the stories reflect what might be worst-case scenarios, but Nevada County officials and citizens must plan for and prevent such situations. We are encouraged to hear earnest, hard-working growers say they want to pursue their business without infringing on the quality of life and rights of their neighbors. It would be short-sighted for the County to implement an ordinance that fails to protect people from the harm, nuisance, property value declines, and negative environmental impacts of cannabis cultivation. The lure of tax revenues should not tempt the County to gloss over the problems of cannabis cultivation. The draft EIR and draft ordinance fall short of dealing with the issue, particularly on the issue of cannabis cultivation odor.

M-11

We hope the Nevada County Planning Commission will present a draft EIR to the Board and the public that's revised to address our concerns. We hope the Commission's recommendations and advice to the Nevada County Board of Supervisors will assist the Board in approving a Nevada County Cannabis Cultivation Ordinance that balances grower interests with those of all others in the community.

Sincerely,

Jan Howard and Curtis Howard

## Response to Comment Letter M - Curtis and Jan Howard

**Response to Comment M-1:** The commenters notes their reasoning for moving to Nevada County. No environmental issues or concerns were raised in the first summary paragraphs; therefore, no further response is necessary.

**Response to Comment M-2:** The commenter notes the Thirty Percent Cultivation Alternative and states that it is environmentally superior. The commenters states that they believe this alternative is feasible and should be adopted and meets all the County's stated objectives.

The commenter is correct in that this alternative would result in fewer impacts than the proposed project; however, the No Project Alternative, based on State CEQA Guidelines is considered the Environmentally Superior Alternative. The Thirty Percent Cultivation Alternative would meet some of the project objectives but would not provide as much flexibility as the proposed project. Accordingly, the DEIR states,

"A large focus of the proposed project is to provide a mechanism to permit and regulate existing as well as future cultivation operations. This alternative would substantially reduce the ability of the County to focus on that effort. Therefore, while environmental impacts would be reduced, this alternative would conflict with the regulatory intent of the proposed NCCO."

The premise of the DEIR is to evaluate the proposed NCCO at the "worst-case" scenario. This was done for a number of reasons and the commenters are referred to **Response to Comment K-4** for a complete discussion of these reasons.

The County does acknowledge the commenters disagreement with the DEIR conclusion; however, taken in light of the above, the conclusions regarding enabling the County to regulate all potential parcels as the proposed NCCO is written is a valid assessment.

Nonetheless, as the commenter notes, there are an estimated 3,500 current cultivation sites and under the Thirty Percent Cultivation Alternative, an additional 4,662 permits would be authorized. While, the County recognizes that this may be an adequate number of permits to supply the potential demand, this; however, is not an issue for CEQA, but for the County Planning Commission. CEQA does not make a decision on the ultimate disposition of a proposed project but is used to inform decision making as to the environmental consequences of a proposed action. In this instance, the Planning Commission will be aware of impacts of the proposed project and all the alternatives and will be able to make such an informed decision.

**Response to Comment M-3:** The commenter states that because of the information stated in Comment M2, the County should adopt the Thirty Percent Cultivation Alternative. The County understands the commenters opinion and as discussed in Response to Comment M2, the Nevada County Planning Commission will make the final decision on project approval.

**Response to Comment M-4:** The commenter states the DEIR does not adequately address the impacts of odor. The commenter stated that others have complained the odor can drift as much as 1,500 feet. The commenter notes that the presence may also be an attractive nuisance and create a risk of burglary, robbery, armed robbery, assault, attempted murder, and murder. The commenter questions what data

on odor drift or other information has been collected and will that information be provided to Planning Commission.

The commenter is referred to *Section 4.3 Air Quality and Greenhouse Gasses*, which provides analysis of odors generated from cannabis cultivation. Potential odor impacts associated with the proposed project operations impacts were assessed by modeling a theoretical worst-case area source because the exact location of the various activities cannot now be determined. The quantitative assessment of the potential for the proposed project to generate odors considers the reasonably anticipated, permitted land uses identified in the Nevada County Cannabis Ordinance and potential activity levels by activity types.

Pages 4.3-28 through 4.30 provide the methodology and pages 4.3-34 and 4.3-35 provide the analysis. Page 4.3-34 includes MM AIR which prohibits the burning of cannabis. In addition, the Proposed NCCO Section (D))6(b) and (d) Nuisance Declared; Cultivation Restrictions lists the issues raised. As shown in this code:

(6) All cannabis cultivation areas shall comply with the following requirements:

- b. Cannabis Cultivation shall not adversely affect the health, safety, or general welfare of persons at the Cultivation site or at any nearby residence by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, light, or vibration, by the use or storage of hazardous materials, processes, products or wastes, or by any other way. Cannabis Cultivation shall not subject residents of neighboring parcels who are of normal sensitivity to reasonably objectionable odors.
- d. Cultivation of Cannabis indoors shall contain effective ventilation, air filtration, and odor-reducing or odor-eliminating filter to prevent odor, mold and mildew in any area used for Cultivation or which is used as, designed or intended for human occupancy, or on adjacent Premises.

7. Accessory Structures used for the Cannabis Cultivation shall meet all of the following criteria:

- d. Accessory Structures used for Indoor Cultivation shall be equipped with a permanently installed and permitted odor control filtration and ventilation system adequate to prevent any odor, humidity, or mold problem within the structure, on the Premises, or on adjacent Parcels.

In addition, the cannabis canopy is required to be setback at least 100 feet from property lines. In some instances a variance may be issued provided that all the requirements of Sec. L-II 5.7 of the Nevada County Land Use and Development Code are followed. As part of the variance approval it is required that setback reduction will not result in any increased odor impacts to neighboring properties and all potential increases in odor impacts have been adequately mitigated.

These measures, as part of the proposed NCCO, are in place in an attempt to reduce impacts of cannabis odor to adjacent residences and properties. The County recognizes that these measures cannot guarantee there will be no odor impacts. Hence the DEIR found these impacts to be significant and unavoidable. The commenter is referred to **Response to Comment M-2**, regarding the role and information provided to Planning Commission.

### **Response to Comment to Comment M-5:**

The commenter states they disagree with the finding that the odor impacts to sensitive site even with the 1,000-foot setback from a School, Church, Park, Child or Day Care Center, or Youth-Oriented Facility. The Commenter is referred to Page 4.3-32 of the DEIR, which found the following:

“As demonstrated in Table 4.3-14 each of the pollutants is at or exceeds the ODT at the 100-foot distance. Benzaldehyde, Myrcene, and Heptanal exceed the ODT at 1,000 feet and Myrcene and Benzaldehyde exceed the ODT at 1 mile. However, Myrcene has the highest concentration to ODT ratio at 6.23 at the 1,000-foot distance. This concentration has a probability of causing a nuisance and was analyzed further.

The concentrations detailed in Table 4.3-14 represent the max concentration that would occur during the worst one-hour period over a five-year period. Therefore, further analysis was conducted to determine how often concentrations would reach this level. *Table 4.3-15 Myrcene Concentrations* summarizes the resulting concentrations for the top 10 hours over a five-year period for Myrcene and summarizes the 98th through 75th percentile concentrations at a 1,000-foot distance.

Based on the results from this analysis, a 1,000-foot setback was found to be sufficient to avoid an odor nuisance from the proposed project to sensitive receptors and for these reasons the proposed project would have a less than significant odors impact in this regard.”

**Response to Comment M-6:** The commenter notes that more can be done to abate odor from cannabis especially outdoor cultivation and he cited County of Santa Barbara Land Use Development Code Ordinance 5027. The commenter did not provide citations of the referenced Code. Based on a search of the County of Santa Barbara website, it appears the County of Santa Barbara Land Use Development Code was updated February 2019, so some pages and requirements may now be different than those cited by the commenter.

The commenter is correct that an Odor Abatement Plan is required in Santa Barbara County. An odor abatement plan; however, is not required in AG-II zoning, unless a CUP is needed. The commenter is referred to **Response to Comment M-4** regarding the proposed NCCO and odor control required for indoor cultivation. Regarding outdoor cultivation it is admittedly very difficult to control odors from cannabis or any other outdoor use. It should be noted that the odor control systems called for in the Santa Barbara County Code call for activated carbon filtration, vapor phase systems, and use of project siting practices demonstrating effective odor control.

The County recognizes the commenter disagrees with the assessment of impacts to sensitive sites. However, the commenter is referred to **Response to Comment M-5** for a discussion of this impact. The commenter is correct that the Santa Barbara Code prohibits cultivation within 1,500 of a residential zone. It should be noted, that a residential zone is different than the citing of a home. Many residences are located outside of residential zones within the County. The proposed NCCO does attempt to minimize exposure to both residentially zoned areas as well as of individual residences by disallowing commercial

cultivation in AE zoned areas. Regarding the required setback from sensitive sites under the proposed NCCO, it is approximately 250 feet greater than in the Santa Barbara Code (750 feet).

In evaluating the Santa Barbara Code the county did note subsection (f): This section requires the following:

- f. Designation of an individual (local contact) who is responsible for responding to odor complaints as follow:
  - (1) The local contact shall be available by telephone on a 24-hour basis to respond to calls regarding any odor complaints.
  - (2) The applicant shall provide property owners and residents of property located within 1,000-feet of the lot on which the cannabis activity is conducted, the contact information of the local contact responsible for responding to odor complaints. The operator is required to immediately notify the County of any changes to the local contact.
  - (3) The operator of the cannabis activity is required to notify the County of any complaints that the operator receives, within 24 hours of receiving the complaint.
  - (4) Failure to respond to calls in a timely and appropriate manner may result in revocation of the permit. For purposes of this Subsection, responding in a timely and appropriate manner means that an initial call shall be responded to within one hour of the time the initial call was made, and a corrective action shall commence within two hours of the initial call, if corrective action is required, to address any violation of this Section.
  - (5) The operator shall implement a complaint tracking system for all complaints that the operator receives, which includes a method for recording the following information: contact information of the complainant, as well as a description of the location from which the complainant detected the odors; time that the operator received the complaint; description of the complaint; description of the activities occurring on site when the complainant detected the odors; and actions the operator implemented in order to address the odor complaint. The operator shall provide the complaint tracking system records to the Department as part of any Departmental inspections of the cannabis operation and upon the Department's request. The operator shall maintain the complaint tracking records for a minimum of five years.
- h. If the Department receives three verified complaints regarding odor events in any 365-day period, the Permittee shall implement corrective actions to comply with the odor abatement requirements of this Section 35.42.075.C.7. Upon the Department's request, the Permittee shall submit a written statement that sets forth the corrective actions and timing of implementation of each corrective action, subject to the Department's review and approval. The department may require the corrective actions to be re-certified by a Professional Engineer or a Certified Industrial Hygienist. Notwithstanding the

requirements of this Section, the Department may take additional enforcement actions pursuant to Chapter 35.108 (Enforcement and Penalties) which may include, but are not limited to, initiating proceedings to revoke the applicable cannabis land use entitlement(s).

The County will evaluate the practicality of incorporating additional odor controls especially for mixed-use and outdoor cultivation such as the above. Nonetheless, as discussed above these methods are limited. Therefore, this County finds that with the existing technology and resources available, the impact findings disclosed in the DEIR of less than significant to sensitive receptors should remain, and the finding of significant and unavoidable odor impacts to adjacent uses appropriately remains significant and unavoidable.

**Response to Comment M-7:** The commenter restates the opinion regarding impacts to sensitive receptors. The commenter is referred to **Response to Comment M-4, M-5, M-6, and M-7**, above.

**Response to Comment M-8:** The commenter recommends not only relying on zoning designation but establishing buffer zones (example one mile around residential neighborhoods) and setbacks would start at the edge of the buffer zone. The commenter states County staff should further evaluate this and present findings to the Planning Commission. This comment is noted but does not comment on or question the adequacy of the DEIR. This will be presented to the Planning Commission for their consideration.

**Response to Comment M-9:** The commenter restates comments about odors and questions what the terms “Normal Sensitivity,” and “reasonably objectionable,” mean. Human reaction to odors is subjective and can vary depending on the receiver. Odor nuisance varies person to person and compound to compound. Odor issues are typically addressed based on the number of complaints received at a facility or use. Therefore, odors are generally evaluated on the subjective terms such as “normal sensitivity” and “reasonably objectionable”

Reasonably Objectionable can be generally defined as, “...odors are deemed objectionable when “60% of a random sample of persons exposed to the odor in their place of residence or employment claim it to be objectionable when the nature, intensity, frequency and duration of the odor are considered.”

Regarding the comments on odors, the commenter is referred to **Response to Comment M-4, M-5, M-6, and M-7**, above.

**Response to Comment M-10:** The commenter requests clarification on the cumulative impacts for Air Quality and Greenhouse Gas emissions. As discussion in the DEIR, the proposed project, taken in sum with other existing, proposed and reasonably foreseeable projects, would result in cumulatively considerable air emissions. However; future cultivation under the proposed NCCO would be required to comply with air quality standards and these impacts would be less than significant. Future indoor cannabis cultivation projects would be required to contain effective ventilation, air filtration and odor-reducing or odor-eliminating filters to prevent odor, mold and mildew in any area used for Cultivation or which is used as, designed, or intended for human occupancy, or on adjacent premises. Additionally, as noted in *Section 1.0, Introduction*, the Draft EIR is a programmatic document. Therefore, future projects would be screened and evaluated for assessment of odor impacts. However, as noted in Draft EIR *Section 4.3 Air Quality*, odor modeling demonstrated that impacts would be less than significant. The commenter also is referred

to **Response to Comment C-13** which discusses CDFA regulations adopted on January 16, 2019 regarding air emissions.

**Response to Comment M-11:** The commenter restates concerns regarding odor experienced from cannabis cultivation. The commenter also makes non-environmental related comments regarding implementation of the ordinance. For those portions of the comment generally related to odors and those that restate previously written concerns, the commenter is referred to **Response to Comment M-4** through **M-10**.

DATE: February 22, 2019

TO: Brian Foss, Nevada County Planning Director

FROM: Eric Jorgensen, 11065 Peaceful Valley Rd, Nevada City, 95959

SUBJECT: Draft Environmental Impact Report,

NEVADA COUNTY COMMERCIAL CANNABIS CULTIVATION ORDINANCE PROJECT, January 2019

## 2.2 Executive Summary Comment

In the Greater Champion Neighborhood Association foot print below Nevada City and along the Newtown road corridor involving 350+ homes and parcels, I can think of five growers in this RA (Residential Agricultural) zoning and there are surely more. These neighbors often make a partial living, from their small scale "personal", "CCA", "medical" or "commercial" plots. Most farmers seem to now desire greenhouses for two crops a year. I too farm an acre, but without the proposed legal restraints of NCCO cannabis code. RA land is for agriculture and the proposed NCCO code restraint prohibits limited cannabis small farms. The issues of plant numbers, permits and greenhouses are important in protection of natural resource and residual zoning values, but seem to step on small farmers.

N-1

My knowledge of neighbors is but the tip of the estimated 3500 plots the County identifies in your EIR report. Grow site impacts and parcel information are not surveyed and analyzed in the EIR. What percentage of the 3500 sites are estimated to be on parcels under 10 acres, or RA zoned? Kimley and Horn are missing baseline information on cultivation practice impacts by not surveying some of the estimated 3500 plots you have identified. County planners indicate only 5 commercial grows were registered this past year. Not a very good measure of success. And the above is likely a harbinger of code enforcement conflict.

N-2

That said the two primary issues I will focus on are FENCING & HEDGES and HERTIAGE OR HISTORIC TREES. Both issues are ignored by Kimley & Horn allowing outdated County Code to be applied to and misused by cannabis growers. Current County fencing and heritage tree protection codes are having negative, highly consequential impact.

N-3

A third issue requiring more thought is how the county mitigates current and future expanding consumption of fossil fuels for energy. Cannabis offers an opportunity for addressing Climate and Carbon and energy requirements for this expanding enterprise of greenhouse growing. Green house growing energy consumption has a large energy/carbon foot print.

N-4

### **Impact 4.1-4: Create a New Source of Substantial Light or Glare Which Would Adversely Affect Day or Nighttime Views in the Area. Potentially significant.**

MM AES-2: Lighting Control Plan. Amend the NCCO to require commercial cannabis cultivation applicants with exterior light fixtures (including mixed light applications) to submit a light control plan that would demonstrate how light used for cultivation purposes would be controlled. Light control measures may include but not be limited to means such as using blackout tarps ... Less than significant.

N-5

Comment. Light pollution controls described are appreciated and important. I would add that mitigation is largely unaddressed for the sources of energy, electricity and gas utilized for this light, for heat against freeze, and for maintenance of optimum grow conditions. The EIR does give an ample summary of County energy planning and current State law. However, the EIR does not address the carbon impacts (and thus climate impacts) that commercial and personal cannabis greenhouse growing are creating, nor does the report directly source data on 3500 parcels. The county should give serious code consideration to requiring “green” energy mitigating greenhouse usage (solar panels, battery storage, wind generation, insulation, and identified “green” PG&E sources, etc.).

N-6

**Impact 4.2-1: Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to Non-Agricultural Use. Potentially significant**

MM AG-1: Farmland Resources: Amend the proposed NCCO, to require all commercial cannabis applications to show on project site plans any Prime Farmland, Unique Farmland, or Farmland of Statewide Importance based on the most recent available mapping provided by the California Department of Conservation (CDOC) Farmland Mapping & Monitoring Program (FMMP) that exist on the project site. If such lands exist, the applicant shall show on the site plan(s) that any proposed accessory structure and related improvements (e.g., driveways, staging areas, etc.) have been located on the property in which impacts to mapped farmlands are reduced to the maximum extent practicable.

N-7

Comment: NO PERMANENT STRUCTURES IN DESIGNATED FARMLAND ALTERNATIVE should be adopted. These high value lands for growing food should receive maximum protection from all roads and buildings.

**Impact 4.4-2: Disturbance to or Loss of Special Status Plant Species and Habitat**

Comment. While this impact is mitigated by BIO-2, the baseline for one of these measurements is the county tree ordinance requiring a permit to cut trees of 30” diameter on small parcels. 30” trees in lower foothill watersheds and ridges are mostly cedar and pine, rapidly growing trees rebounding from gold miner clear cut of most area timber. The historic oaks were also clear cut and used for fuel and timber. Today white or blue oak and black oak hardwoods average 12-18”, are 125-150 years in age, and in recovery from miner impacts 150+ years ago. These oaks represent the most resilient trees for a climate future of increasing temperatures and drought in our lower Sierra foothills. They represent heritage oak-meadowlands of tomorrow. The 30” diameter measurement does not protect our high value hardwoods. Cannabis, as with all farming, impacts white and black oaks cleared for growing space. The Nevada County Planning Commission and County Supervisors are asked to reexamine the 30” diameter code and increase protection for hardwood oak populations, an important, predominant tree in a future of decreasing water, warming, and shifting plant communities.

N-8

**Impact 4.4-3: Disturbance to or Loss of Riparian Habitat or Other Sensitive Natural Communities**

N-9

**Impact 4.4-5: Interfere with Resident or Migratory Wildlife Corridors or Native Wildlife Nursery Sites**

Comment. Impacts are said to be “potentially significant” but rated “less than significant” as measured by Implementation of MM BIO-2. BIO-2 does not address boundary fencing, a major cumulative impact, currently impeding wildlife corridors, aggravating habitat loss, disrupting food chains, and reducing brose on enclosure brush accelerating fuel growth. In Greater Champion Neighborhood of RA-5 parcels, cannabis compounds are

N-10

now beginning to boundary fence for “security”. The use of 6’ chain-link fence, installed with wire pointed tips up, and the use of 4” woven wire, 48” high topped by 2 high tension barb wire strands, creates a prison like parcel projecting security concerns. “Fencing and Hedges” code, Section L-II 4.2.6. currently enables this type of fencing, which has significant impact on wildlife, runs contrary to animal husbandry practice, and impairs residential safety. This sort of security compound is better zoned for a business or industrial park. Security compounds do not share or protect the Residential-Agricultural zoned values of equal weight for residential, agriculture and natural resources. Fencing is ignored by this EIR cannabis study. Chain link and other barriers can also limit fires suppression access with dire consequence to neighborhood safety.

N-10  
cont'd

Cannabis security compounds in neighborhoods raises a secondary question. Do “trim” operations and storage need to be in a different setting? Perhaps a security warehouse in an industrial area under some sort of farmer collective? Think grain elevator storage and grain farmers. Does cannabis product worth, after harvest and in trim consolidation, require further review by County to determine public safety, as cannabis has a history of theft, guns, cash and violence. The NCCO fails to address safety and trim operations, though we know that the accumulation of product and dollars invite risk to grower and now neighbors, particularly when tied to black market sales. This is not addressed in the EIR. The issues of fencing and of public safety require further study and code changes by Supervisors and Planning Commission to address agriculture, fencing and cannabis. Some sample Section L-II 4.2.6 Boundary Fencing Code conflicts:

N-11

1. Fencing – a barrier constructed of wood or boards on the boundary runs contrary to CalFire codes desiring 10’ clearance along roadways for fuels and hazards. NCCO wants to hide cannabis growing with fencing, yet the code ignores fire, a significant issue largely unaddressed. Hedges raise similar fire safety issues.

N-12

2. Fencing – chain link 6’ high impedes all animal migration from bear and deer down to skunk and rabbit. A 7 acre compound no longer has browsers nibbling down new growth of woody plants thus rapidly increasing fuel growth for future fire. A chain link fence deflects fire access ...it’s not easy or quick to cut fence for fire suppression access. Installed with the points upward, the fence is lethal to deer in flight and highly disruptive to wildlife food chains, habitat, migration and safety.

N-13

3. Fencing with small diameter mesh, (2”x4” or 4”x4”) topped off by 2 strands of high-tension barbed wire, is dangerous to wildlife. Deer attempting to flee risk damaging wounds by jumping. Small animal habitat is greatly impacted. This type of mesh fence may be appropriate for garden and orchard, but used as a boundary fence, is significant in its disruption to wildlife. And barbed wire topped security fencing is not compatible with children and balls landing over the fence in our residential neighborhoods. Yes, children should not attempt to climb, but 7 acres is a big place. Topping woven fence with barb wire is not compatible for horse and livestock safely and ignores best animal husbandry practice.

N-14

All of the above, permissible fence installations, under current code, have a cumulative, significant impact on wildlife, wildlife corridors, habitat, neighborhood safety. These impacts can be mitigated by Planning Commission and Supervisor reevaluation of Section L-II 4.2.6 Fencing and Hedges code. RA requires that Ag, Residential and Natural Resources are given equal weight. Estate says single family is of primary importance. A “security compound” does not comply with the weight given residential and wildlife, nor does it comply with

N-15

agricultural husbandry practice. Security compound fencing and operation belong in a business park zoning. Fencing and heritage tree removal are prime impacts for which the County can mitigate impacts.

N-15  
cont'd

**Impact 4.7-8: Expose People or Structures to a Significant Risk of Loss, Injury, or Death Involving Wildland Fires, Including Where Wildlands are Adjacent to Urbanized Areas or Where Residences are Intermixed with Wildlands. Less than significant**

Comment. Without researching L-II 4.3.18 Wildland Fire Hazard Areas, I strongly suspect that this code does not address conflict of fire suppression with fencing code LII 4.6.2. Increasing use of chain link fencing and other 6' fence barriers, around five acre and larger parcels, many reflecting cannabis security issues, is a growing problem. Gates and fire access are not addressed in the Fencing Code nor in the NCCO/CCA codes. The recent Camp Fire and loss of life says that Impact 4.7-8 is very high risk. This is not a medical grow or a commercial grow issue, but a fire and safety issue applicable to all parcels over a minimum size of perhaps 3-4 acres.

N-16

**SUMMARY OF PROJECTS: Biological Summary**

**"...Interference with resident or migratory wildlife corridors or native wildlife nursery sites. Even with mitigation and other minimization and avoidance measures, and compliance with Sections L-II 4.3.12 and 4.3.17 of the County's Land Use and Development Code as part of the ADP process, impacts would still be considered significant and unavoidable. Due to the overall scope and scale of the project, it is not possible to ensure all impacts would be reduced to less than significant. Impacts on Biological Resources would also be considered cumulatively considerable."**

N-17

The report fails to address boundary fencing as one of the primary drivers of this "cumulatively considerable" impact. The county can take steps to help mitigate this impact by reexamining Fencing and Hedges code with consideration for biological cumulative natural resource impacts and wildfire safety impacts. Similarly, a review of historic or heritage tree size and reduction to 15" for oaks would help mitigate cumulative impacts. These impacts are cumulative and reducible.

## Attachment: Section L-II 4.2.6 Fencing and Hedges

A. Purpose: The purpose of these regulations is to protect the visual quality and to minimize sight distance impairment on roadways by establishing height limits for fencing and hedges located within yard setbacks.

B. Definitions:

1. Fencing - A barrier constructed of wood, metal, wire, fabric, boards, or other materials and which is intended to demarcate a boundary, separate land uses, secure animals, enclose property, and/or exclude people and animals from a designated area. Solid fencing is fencing that impairs through vision and conflicts with vehicle sight distance. Walls constructed of concrete, stone, brick, tile, or similar type of solid material are included in the definition of fencing.

2. Hedges - Compact evergreen plants forming a solid screen that impairs sight distance.

C. Height Measurement: Fencing shall be measured from the base at finished grade to the highest point. Hedges shall be measured from their base at finished grade to their highest point.

D. Height Exceptions. Table standards may be exceeded as follows:

1. If submitted as part of the review of a discretionary land use permit, the Planning Agency may allow an increased height for project that requires a higher fence, hedge, or wall for Security, visual, or noise attenuation purposes.

2. Subject to the granting of a Use Permit, fencing may exceed the height maximums established by this Chapter if findings can be made that such an exception is needed for protection of the public health and safety or to shield unsightly areas or uses.

E. UBC Compliance. Solid fence and wall construction are subject to the requirements of the Uniform Building Code.

**Table L-II 4.2.6.D**

### Height Limits within Setback Area

| <b>Zoning District</b>     | <b>Setback Area <sup>(1)</sup></b> | <b>Open Fence <sup>(2)</sup> &amp; Hedge Standards</b> | <b>Solid Fence Standards</b> |
|----------------------------|------------------------------------|--------------------------------------------------------|------------------------------|
| Residential                | Front and street side              | 4'                                                     | 3'                           |
| Residential <sup>(3)</sup> | Rear and interior side             | 6'                                                     | 6'                           |
| <i>Rural</i>               | Front and street side              | no limit                                               | 3'                           |
| <i>Rural</i>               | Rear and interior side             | no limit                                               | 6'                           |
| All Others                 | Front and street side              | 4'                                                     | 3'                           |
| All Others                 | Rear and interior side             | 6'                                                     | 6'                           |

N-18

- (1) Rear yard setbacks for through parcels where the rear yard is adjacent to a street shall meet the front yard setback standards.
- (2) Open fence type refers to an open board, split rail, wire, chain link, and similar type of fencing that does not impair through vision or conflict with vehicle sight distance.
- (3) Open fencing within the RA district shall meet *Rural* District standards for side and rear yard setbacks.

Where solid and open fence materials are combined, the most restrictive standard shall apply.

### Photo Attachments: Cannabis Security Compound Fencing



6' chain link boundary security fencing.



Street security fencing: 48" high fence topped by 2 strands of barbwire.

N-18  
cont'd



Seasonal creek impeded by 8' fence, barring small animal movement, blocking deer herd migration route from neighboring 140 acres Conservation Easements.



5 ½ foot security boundary fence with two strands of barb wire blocking wildlife movement, impairing safety, and reducing habitat thus causing crowding and increased forage impacts on surrounding parcels. Do security compounds belong in rural areas or in RA zoning?

N-18  
cont'd



Heritage blue oak left uncut by gold miners. Measures 28" DBH.

N-18  
*cont'd*

## Response to Comment Letter N - Eric Jorgensen

**Response to Comment N-1:** The commenter notes the Greater Champion Neighborhood, discussed existing growers in this RA zoned parcel and makes general statements but does not question the adequacy or comment on the content of the DEIR. No further response is required.

**Response to Comment N-2:** The commenter questions the use of the 3,500-estimated number of current cultivation sites and asked what percentage are on parcels under 10 acres. The commenter makes additional non-specific comments related to the DEIR. The comment is noted, and the commenter is referred to Section 3.0 Project Description, which identified how the estimated was developed:

“This estimate is based the experience of County staff, other anecdotal evidence based on nuisance claims and some limited aerial photography, as well as information provided during the CAG process from stakeholders and other interested parties. The actual amount could be more or less than this number. As these existing cannabis grows operate illegally, there is no mechanism for tracking existing cannabis operations.”

The commenter is referred to **Response to Comment K-4** regarding the specificity of the analysis on a parcel by parcel basis. No further comment is necessary.

**Response to Comment N-3:** The commenter states the two primary issues of focus are fences & Hedges and Heritage or Historic trees. This comment does not question the adequacy or comment on the content of the DEIR. No further response is required.

**Response to Comment N-4:** The makes a non-specific comment regarding energy, use of fossil fuels and addressing climate change. This comment does not question the adequacy or comment on the content of the DEIR. No further response is required.

**Response to Comment N-5:** The commenter restates MM AES-2. No further response is required.

**Response to Comment N-6:** The commenter notes that the above-listed mitigation is important but additional consideration needs to be given mitigation for energy, electricity and gas used for the lighting. The commenter notes the County should consider using “green” energy. This comment is noted and the use of “green” energy will be a part of the project and is discussed in **Response to Comments C-21, I-3, K-21, and K-22**, which discuss project conformance with Title 24 and use of renewable energy sources.

**Response to Comment N-7:** The commenter restates MM AG-1 and comments that the No Permanent Structures in Designated Farmland Alternative should be adopted. The comment is noted and will be reviewed by Planning Commission.

**Response to Comment N-8:** The commenter makes generalized statements about the constituency of the forest and previous practices of tree harvesting. The commenter requests the Planning Commission and supervisor reexamine the existing codes protecting trees. This comment does not question the adequacy or comment on the content of the DEIR. No further response is required.

Regarding protection of trees and policies regarding tree removal, the commenter is referred to **Master Response 3**, and **Response to Comment D-1** through **D-4**, and **F1**, and **Response to Comments B-1**

through **B-11** in response to CDFW and describe the ways biological resources including trees would be protected.

**Response to Comment N-9:** The commenter transcribed Impact 4.4-3. No further response is required

**Response to Comment N-10:** The commenter notes that boundary fencing is hampering the movement of wildlife and it is not addressed by existing mitigation. The commenter states that the existing cultivation in the RA zone in the Greater Champion Neighborhood is experiencing this. The commenter states fencing is ignored by the EIR.

The comment is noted. The commenter is referred to Section 3.0 Project Description, which defines the zones in which commercial cannabis will be permitted. Commercial Cannabis will not be permitted in the RA zone. Therefore; under the proposed NCCO these areas would be designated as nuisances and subject to penalties if not removed. No cultivation will be permitted in the named area, therefore, impacts in this area would not be exacerbated by future permitted cultivation.

The commenter also is referred to **Response to Comment B-4** regarding requirements for biological pre-screening which would evaluate sites and cultivation plans for these impacts and, **Response to Comment L-7**, regarding impacts to wildlife movement/migration.

**Response to Comment N-11:** The commenter questions the security of trim operations and storage and states the NCCO fails to address safety and it is not addressed in the DEIR. The commenter notes the issues of fencing and public safety and cited Section L-II 4.2.6 Boundary Fencing Code.

The proposed project requires that all area associated with cannabis cultivation must be adequately secured to prevent unauthorized entry and entry by children and include a locking gate that shall remain locked at all times when a Designated Responsible Party is not present within the Cultivation site.

Regarding Security, the use of security measures is considered part of the NCCO and hence, is discussed in the DEIR. The commenter is referred to Master Response 3, which discusses the CCP and ADP application checklists and Attachment B, which provides a complete copy of both. The following lists security elements that include but are not limited what must be described in in the security plan: perimeter security (description of perimeter security components, fencing, gates, locking hardware, doors components, heights, etc.); access, building security (security components, access points, locks, construction type, wall openings); security/surveillance systems, alarms, cameras; on-site monitoring, and secure locations for valuables, and safety and security training provided.

The County appreciates the commenter suggestion and the above language will be considered by the Planning Commission for inclusion to the proposed NCCO. It should be noted that the inclusion of such language and requirement to the NCCO would not result in any impacts beyond those already disclosed. Further, use of such a fencing plan would likely serve to reduce impacts associated with aesthetics and impacts to wildlife.

**Response to Comment N-12:** The commenter reiterates concerns about fencing and hedges and raises the concern of the associated danger of fire. The commenter is referred to **Response to Comment N-10**, above. Regarding fire, the commenter is referred to **Response to Comment C-6**, and **C-10**, which references fire setbacks, fire safety compliance, fire setbacks, and access requirements. No further response is required.

**Response to Comment N-13:** The commenter reiterates comments regarding wildlife safety and fire. The commenter is referred to **Response to Comment N-10, N-11, and N-12**, above. No further comment is required.

**Response to Comment N-14:** The commenter reiterates comments regarding the safety of fencing. The commenter is referred to **Response to Comment N-10, N-11, and N-12**, above. No further response is required.

**Response to Comment N-15.** The commenter reiterates concerns about fencing and safety concerns and cumulative impacts to wildlife. The commenter restates concerns regarding RA zoned properties and heritage trees. Regarding cumulative impacts, the commenter is referred to *Section 5.0 Cumulative Impacts*, which discloses that cumulative impacts to wildlife movement would be significant. The County would be required to adopt a Statement of Overriding Considerations for this impact.

Regarding the other issues raised, the commenter is referred to **Response to Comment N-3, N-4, N-8, N-10, N-11, and N-12**. No further response is required.

**Response to Comment N-16:** The commenter reiterates concerns regarding fires and states he suspects the code does not address the conflict of fire suppression with fencing code. All future permitted commercial cannabis cultivation projects under the NCCO would be required to show conformance with all applicable fire codes and fire safety regulations. The commenter is referred to **Response to Comment N-10 and N-12**, above. No further response is required.

**Response to Comment N-17:** The commenter reiterates concerns about boundary fencing and impacts to wildlife and again requests a reconsideration of the designation of heritage trees.

The comment is noted, and the commenter is referred to **Response to Comment N-3, N-8, and N-15**.

February 5, 2019

Nevada County Community Development Agency  
950 Maidu Avenue, Suite 170  
Nevada City, CA 95959

Attention: Brian Foss, Planning Director

E-mail: [planning@co.nevada.ca.us](mailto:planning@co.nevada.ca.us)

**Regarding: Comments on Draft EIR for Proposed Nevada County Commercial Cannabis Cultivation Ordinance Project – Part one of comments**

Submitted By:

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Plan-aire Landscape Architects and Planners  
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Grass Valley, Calif. 95949

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E-mail: [gary@plan-aire.com](mailto:gary@plan-aire.com)

Dear Community Development Department:

The following comments are provided in response to Draft EIR public comment request. In order to be most responsive, the following comments are provided for the Draft EIR starting with Section 4.3 and continuing through Section 4-17 and Section 5.1, 5.2, 5.3, 5.4 and 5.5, Section 6.1 and Section 6.2.1. in this partial submittal. Comments for the remaining Sections will follow under separate cover along with three different Alternatives to reduce the project size and impacts. These Alternatives will include analysis of the significant areas of concern, which were identified during the review of the Draft EIR. These missing Sections and Alternatives should be delivered to your office within the next week, still plenty of time before the end of the 45 day review period that ends on February 25, 2019.

The following comments are lengthy, about 172 pages and focus primarily on the technical sections of the Draft EIR. Considerable time was spent reviewing the document

O-1

and generating data for consideration which led to far too many late nights, so please excuse the spelling errors.

The areas of concern and where the lengthiest comments are contained were in the following Sections:

Page 4.8-31 Ancillary Structures

Page 4.8-34 and Page 4.8-35 Water

Page 4.12-7 Cannabis Yield and Use, Employment, Housing and Population

Page 4.17-10 Energy

Page 5-10 Cannabis Production, Cannabis Cultivation Footprint

Developing the impacts from cannabis cultivation are generally based on several different criteria which include, area of disturbance, size of canopy and type of cultivation operations. Biology and soils for example use disturbed areas; the canopy size is tied to license requirements and facility costs, while the type of cultivation and size of operation together are needed to determine water and electric use. To calculate, housing needs for the employees, air quality and traffic, impact on public services and parks and recreation the number of employees needs to be determined first, and those employment numbers are derived on the volume of production or yield from the project.

Based on the size of operations, the mix between outdoor, indoor and mixed-light cannabis cultivation operations, a total project yield was developed and all supporting data for the calculations are provided in the comments on Pages 4.12-7 and 5-10 in the following comments. Extensive calculations on housing demand, impact on the county population, power use including the use of solar power, water use and data regarding the ancillary structures is also provided.

I am available to review any of these comments with you.

Thank you for the opportunity to provide this first part of the comments for the Draft EIR.

Gary M. Baker

Grass Valley, California

O-1  
cont'd

Note:

Comments for Section 1.0 Introduction, starting with Page 1-1, Section 1.1 Environment Baseline, Section 1.2 Purpose of this EIR, Section 1.3 Program-Level EIR Analysis, Section 1.4 Scope of Environmental Analysis, Section 1.5 Responsible and Trustee Agencies, Section 1.6 CEQA Public Review Process, Section 1.7 Organization of this Draft EIR, Section 2.0 Executive Summary, Section 3.0 Project Description through Section 3.1.7, Section 4.1 Aesthetics, Light and Glare, and Section 4.2 Agriculture and Forestry Resources and the skipping the Project Alternatives Section, will be provided under separate cover.

Beginning with Section: Thirty Percent Cultivation Alternative, the No Groundwater Cultivation Alternative, Cultivation Allowed in RA Zones Alternative, and the No Permanent Structures in Designated Farmland Alternative, in addition to the comments on Section 6.3 Environmentally Superior Project; Pages 6-16 through 6-39, will be provided under separate cover.

O-1  
cont'd

## Draft EIR Review Comments: Proposed Nevada County Commercial Cannabis Cultivation Ordinance Project

Note: The Page number and text copied from the Draft EIR is in *black text and italicized*. Specific areas of the Draft EIR text are **highlighted in yellow**.

Comments made on the text or the content in the Draft EIR are in **red and not italicized**.

### 4.3 Air Quality and Greenhouse Gas Emissions

Page 4.3-15 SB 350 *"The objectives of SB 350 are to increase the procurement of electricity from renewable sources from 33 percent to 50 percent (with interim targets of 40 percent by 2014, and 25 percent by 2027..."*

O-2

The 25% by 2027 looks incorrect and should read 50%, unless this was meant to mean an additional 25%

Page 4.3-18 Policy 14.4 b. *"Develop a community biomass program..."*

Biomass generally refers to energy production utilizing forest and plant waste to generate electricity. Biomass energy production has considerable air quality concerns

O-3

according to numerous other studies. If biomass is essentially composting in the context of this EIR, then a clarification that is not being burned would be helpful.

O-3  
cont'd

*Page 4.3-22 Project Emissions Methods, paragraph 2 “ Each scenario was developed for the most intensive individual grow operation; as 500 square feet per acre was the most intensive development allowed and this intensity was assessed to develop energy, solid waste and water usage rates for Nevada County. Table 4.15-7, Estimated Project Trip Generation, provided the total acres for each cultivation scenario: 1,610 acres of Outdoor Cultivation, 804 acres of Mixed Light Cultivation, and 268 acres of Indoor Cultivation.”*

*As stated on page 1-3 of this EIR, there are 3,500 existing cannabis grows in the County. As stated on page 2-6 of this EIR there are “27,207 parcels zoned AG, AE, and FR in the County and that the Draft EIR presents a conservative analysis of the total possible number of parcels that could be used for commercial cannabis cultivation.” This is done to ensure that the Draft EIR captures the total cultivation area that could occur and fully discloses all potential impacts that would occur under this scenario.”*

O-4

The 3,500 existing operations if converted to legally permitted sites would not have the same impact on air quality during construction as they generally already exist and are included in the project baseline.

The following Table was obtained from Nevada County Department of Community Development in May 2018. The Table shows the number of parcels above 2 acres in size for the AE, AG, FR and RA Zones within Nevada County. After careful evaluation it appears the Table provided is not the total number of parcels in these zones, but represent the total number of parcels with residential units. The total number of parcels within all of these zones with residential units total 18,359. Since the RA Zoned is not included in the EIR baseline, the total number of parcels with residences in the AG, AE and FR zones would equal 12,666 parcels. That is if this Table does indeed represent parcels with residences. The EIR is using 27,207 parcels for the project and is determining the project impacts for that project. To reach the 27,207 figure, approximately 14,541 new residences must be built, less any parcels which were owned adjacent to an existing residence. If adjacent parcels were combined with an existing residence, the cultivation requirements as set in the draft ordinance would allow for a cultivation sized for the parcel with the residence, which would reduce the number of total cultivation sites. It is not clear how many properties would fit into this category but even it were only a few hundred, more than 14,000 new residences are required. The following Table does not clarify that these are parcels with residences, however in latter comments a review was considered to verify this data based on the total number of housing units in the county

O-5

**RURAL ZONING DISTRICTS- Minus Public Owned Parcels**

| <b>Zoning District (GP Des)</b> | <b>2 to 2.99 ac.</b> | <b>3 to 4.99 ac.</b> | <b>5 to 9.99-ac.</b> | <b>10-ac and &gt;</b> | <b>Total</b>  |
|---------------------------------|----------------------|----------------------|----------------------|-----------------------|---------------|
| <b>AE</b>                       | 2                    | 5                    | 12                   | 121                   | <b>140</b>    |
| <b>AG</b>                       | 1,261                | 1,539                | 3,432                | 4,131                 | <b>10,363</b> |
| <b>FR</b>                       | 118                  | 286                  | 653                  | 1,106                 | <b>2,163</b>  |
| <b>RA (RES)</b>                 | 273                  | 211                  | 104                  | 52                    | <b>640</b>    |
| <b>RA (EST)</b>                 | 902                  | 905                  | 533                  | 189                   | <b>2,529</b>  |
| <b>RA (other/rural)</b>         | 422                  | 588                  | 1,191                | 323                   | <b>2,524</b>  |
| <b>RA Subtotal</b>              | <b>1,597</b>         | <b>1,704</b>         | <b>1,828</b>         | <b>564</b>            | <b>5,693</b>  |
| <b>Total</b>                    | <b>2,978</b>         | <b>3,534</b>         | <b>5,925</b>         | <b>5,922</b>          | <b>18,359</b> |

Source: Nevada County GIS Parcel Layer 1/8/18

In the entire State of California less than 10,000 Temporary Permits were issued for cannabis cultivation as of December 31, 2018 when the Temporary Permit program ended. Only a fraction of these Temporary Permits will be converted to annual cultivation permits. While permits may be issued by the state for new cultivation sites that did not receive a Temporary permit in the future, it is not reasonable to assume that Nevada County would issue almost three times the number of cultivation permits than have been issued for the entire State under the Temporary license program. The 27,207 parcels of cannabis cultivation as reviewed in the draft EIR has the potential of producing nearly 29.0 million gross pounds of cannabis. This production analysis is included and discussed in great detail in other comments contained in other sections of the EIR. This level of production contemplated as a result of 27,207 parcels producing cannabis at 100% capacity within only Nevada County is far in excess of the projected demand of cannabis which is 3.0 million pounds of use for the year 2020 in the entire state.

The County required 50 years to attract the existing 3,500 cannabis growers that are included in the project baseline. The cost and the process involved for obtaining legal permits for cannabis operations is beyond the reach of many of the existing operators. During the past 50 years, the annual growth rate for new cannabis cultivation facilities averaged 70 new sites per year. If 70 new licenses were issued each year, it would require 388 years to reach project buildout.

Only 121 State Temporary permits were issued Nevada County as of December 31, 2018 when the Temporary Permit Process expired.

Page 4.3-22

Outdoor Cultivation - 20 acre run for User Defined Industrial land use and the emissions output was then multiplied by 80.5 (which is 1,610 acres divided by 20 acres) to calculate total buildout

Indoor Cultivation was a 10,000 sf run for General Heavy Industrial and the emissions output was then multiplied by 13.4 (which is 268 acres divided by 20 acres) to calculate total buildout

Mixed-Light Cultivation was a 10,000 sf run for General Heavy Industrial and the emissions output was then multiplied by 40.2 (which is 804 acres divided by 20 acres) to calculate total buildout

It is unclear what is meant by the term 20 acre run or 10,000 sf run in the section above. Also, how is cannabis cultivation related to an Industrial Land use for Outdoor Cultivation or General Heavy Industrial Land Use or Indoor or Mixed Light Cultivation? The State refers to cannabis as Agricultural land use, and even though the County is not recognizing cannabis as agricultural, the State EIR Guidelines are being used for the preparation of the EIR and State Air Quality Data are also being used for the evaluation, so land use designations utilized for determining Air Quality impacts should also use State recognized designations for the project land use which in this case are agricultural land uses.

The data presented in Tables 4.3-7 through 4.3-12 in the EIR would be overstating the Air Quality impacts of the project based on the observations presented above and should be recalculated using a more realistic number of cannabis grows anticipated and use agriculture land use instead of Industrial or General Heavy Industrial land uses for the analysis.

#### Odors Impact Assessment Page 4.3-26

Each of the top four VOCs were modeled as a 10,000 sf area sources. Emissions from one gram of loose cannabis for each VOC were calculated from the odor analysis study (Rice and Koziel 2015). Based on cannabis odor modeling conducted for a project in Kern County, it was assumed that a 1-acre outdoor grow facility would yield approximately 200,000 grams of cannabis. That ratio was used to calculate that a 10,000 sf grow facility would yield approximately 45,913.5 grams of cannabis. Therefore, the emissions based on one gram were multiplied by 45,913.5 to estimate the emission rate from the whole facility.

Utilizing a 10,000 sf area for each cultivation site would vastly overstate the smell impacts for the majority of cannabis cultivation sites. A 10,000 sf footprint is only allowed on parcels 20 acres or greater in size. There are 6,445 parcels 20 acres or greater in size. In addition there are 5,698 parcels which would allow for 5,000 sf of cultivation,

O-7  
cont'd

O-8

8,228 parcels which would allow for 2,500 sf of cultivation and 6,836 parcels that would allow only 500 sf indoors. The total number of parcels eligible for commercial cannabis is 27,207 and only 45% of those parcels could even obtain a permit for 5,000 sf or 10,000 sf commercial cannabis operations.

Indoor cannabis operators are required to control the odor from their operations. Mixed Light operators grow cannabis in Climate Controlled Greenhouses and can mitigate the smell from operations by adding additional filters in the air handing equipment. It is not clear how many strictly Outdoor operations would be permitted within the County, but clearly it would not be 100% given that 6,836 of the potential cannabis cultivation sites are less than 5 acres in size and are not eligible for an Outdoor grow license under the current regulations.

The total project yield for 27,207 parcels would yield a total gross production of 28.989 million pounds as can be seen in the chart below. This assumes the 500 square foot canopy parcels could only cultivate indoors and the remaining parcels would be divided equally between indoors, mixed-light and outdoor cultivation sites.

| <b>Outdoor Cannabis Yield at Full Buidout</b> |           |            |               |        |             |         |            |                   |
|-----------------------------------------------|-----------|------------|---------------|--------|-------------|---------|------------|-------------------|
| Parcel Designation                            | Number of | Canopy     | Outdoor Yield | Indoor | Mixed-light | Outdoor | Pounds     | Total Gross       |
| 100% Production                               | Parcels   | Square Fee | Grams per SF  |        |             |         | Per Parcel | Production        |
| AG, AE, FR Parcels 2 to 5 acres               | 6,836     | 500        | 47.8          | 100%   |             |         | 158.07     | 1,080,582         |
| AG, AE, FR Parcels 5 to 10 acres              | 8,228     | 2,500      | 47.8          | 33.33% | 33.33%      | 33.33%  | 614.66     | 5,057,456         |
| AG, AE, FR Parcels 10 to 20 acres             | 5,698     | 5,000      | 47.8          | 33.33% | 33.33%      | 33.33%  | 1229.33    | 7,004,711         |
| AG, AE, FR Parcels over 20 acres              | 6,445     | 10,000     | 47.8          | 33.33% | 33.33%      | 33.33%  | 2458.66    | 15,846,038        |
|                                               | 27,207    |            |               |        |             |         |            |                   |
| Total Outdoor Yield AG, AE & FR Zones         |           |            |               |        |             | 1       |            | <b>28,988,787</b> |

Page 4.3-27

Table 4.3-13: VOC Emission Rates for Odor Analysis

| VOC         | 1 g Emission Rate<br>g/s | 10K SF Grow Facility<br>Emission Rate g/s |
|-------------|--------------------------|-------------------------------------------|
| Benzadehyde | 2.59E-05                 | 1.189                                     |
| Myrcene     | 2.05E-05                 | 0.943                                     |
| Decanal     | 1.72E-07                 | 0.008                                     |
| Heptanal    | 1.64E-06                 | 0.075                                     |

Three rings of receptors were modeled at 100 feet, 1,000 feet and one mile from the proposed project location. For each VOC, a "1-hour" concentration was estimated and converted into a "10-minute" concentration. "10-minute" concentrations are typically evaluated for odor analysis. The concentrations were then compared to the ODT for each pollutant. The ODT is defined as the concentration of a compound that may be detectable by fifty percent (%) of the population. Nuisance levels typically

occur at concentrations that are several multiples higher than the ODT. However, nuisance is subjective in that every person does not perceive odors the same. Therefore, odor nuisance varies person to person and compound to compound. Table 4.3-14: Max VOC Concentrations summarizes the VOC concentrations at 100 feet, 1,000 feet and one mile.

**Table 4.3-14: Max VOC Concentrations**

| VOC          | 100 FT Concentrations |              | 1,000 FT Concentrations |              | 1 Mile Concentrations |              | ODT      |
|--------------|-----------------------|--------------|-------------------------|--------------|-----------------------|--------------|----------|
|              | 1-hr (PPM)            | 10-min (PPM) | 1-hr (PPM)              | 10-min (PPM) | 1-hr (PPM)            | 10-min (PPM) | PPM      |
| Benzaldehyde | 1.74E-01              | 2.86E-01     | 7.96E-02                | 1.31E-01     | 2.60E-02              | 4.30E-02     | 4.17E-02 |
| Myrcene      | 1.07E-01              | 1.77E-01     | 4.91E-02                | 8.10E-02     | 1.61E-02              | 2.65E-02     | 1.30E-02 |
| Decanal      | 7.80E-04              | 1.29E-03     | 3.58E-04                | 5.91E-04     | 1.18E-04              | 1.95E-04     | 8.97E-04 |
| Heptanal     | 1.02E-02              | 1.68E-02     | 4.67E-03                | 7.71E-03     | 1.53E-03              | 2.52E-03     | 4.79E-03 |

As demonstrated in Table 4.3-14 each of the pollutants is at or exceeds the ODT at the 100-foot distance. Benzaldehyde, Myrcene, and Heptanal exceed the ODT at 1,000 feet and Myrcene and Benzaldehyde

Again these numbers are being expressed for a 10,000 square foot cannabis cultivation outdoors, which would not be considered a typical site. Table 4.3-13 shows Benzaldehyde with a concentration of 1.189 for a 10,000 sf Outdoor Grow, yet Table 4.3-14 shows 1.74 for 1 hour and 2.86 for 10 minutes with no description or equation of how the numbers differ between the two tables. It would also be helpful to the reader if the numbers in Tables 4.3-13 and 4.3-14 be expressed as decimal numbers and delete the E-01, E-02, E-03 and E-04 callouts.

Also as stated, the concentrations detailed above will occur during the worst one-hour period over a five year period. Objectionable smells from cow manure occur with far greater frequency, and over a five year period many unpleasant odors from other types of agricultural operations as well as general construction such as roofing with hot tar could be expected within the county which would impact residents.

#### **IMPACT 4.3-4 EXPOSE SENSITIVE RECEPTORS TO SUBSTANTIAL POLLUTANT CONCENTRATIONS**

##### **IMPACT ANALYSIS**

All proposed commercial cannabis cultivation facilities under either a CCP for facilities with a canopy with less than 2,500 sf or a ADP for cultivation facilities with between 2,5000 to 10,000 sf of canopy would require a setback of at least 1,000 from any sensitive receptor.

The county setback requirement is 100' from property line. It is unclear in the text above what a 1,000 foot setback is referring to and nowhere in the text is a "sensitive receptor" defined. Requiring 1,000 of setback would impact the majority of parcels within the county and other alternatives for the mitigation of odors should be considered in the EIR.

The use of filters in Indoor and Mixed Light grow operations would mitigate the majority of the smell from these facilities. These 1,000 foot setbacks, would only work on properties of over 100 acres which if square would be 2,087 feet per side. A square 2 acre parcel has 291.75 feet per side and the 100' minimum setback is already a challenge for these parcels. Other considerations that might be addressed are the use of coverings over the outdoor grow site during the flowing time with installed carbon filters. These would be temporary structures and not permanent greenhouses. Allowing the use of these structures would also help protect the crops during October and November rains. Also, it must be pointed out that often time's cannabis cultivation occurs on properties adjacent to other cannabis grows, and the smell from the activity is shared between similar properties. Fans can also be used to direct the smell in other directions.

Certain cannabis strains are also less odorous than others, and not all people find the smell objectionable. By examining the smell from 2,500 and 5,000 square foot cultivation operations and including this data in the EIR a reduction in overall project impacts would be available for additional consideration. Santa Barbara County established a setback between urban and rural properties where outdoor cultivation could not occur and their county ordinance includes guidance on odor mitigation technology. One device is an essential oil vaporizer which is misted across the property, outside of the greenhouse, triggering a chemical reaction with cannabis terpenes and masking the scent.

Recommendations: Recalculate the Air Quality impacts based on the actual number of eligible cannabis cultivation sites within the county. Consider that some of the existing 3,500 existing cannabis operations would require little construction activity. Determine the odor impacts of various sized projects and not assume all outdoor grows are 10,000 square feet.

O-11  
cont'd

## Section 4.4 Biological Resources

Page 4.4-28

*California red-legged frog*

*There are approximately 8,285 acres of critical habitat for California red-legged frog in Nevada County. Critical habitat is located in the eastern portion of the County, south of the South Yuba River and north of State Route (SR) 20, approximately 3 miles northeast of Nevada City.*

O-12

*Sierra Nevada yellow-legged frog*

*There are approximately 8,285 acres of critical habitat for California red-legged frog in Nevada County. Critical habitat is located in the eastern interior and eastern portion of the County. Critical habitat includes*

*The description for the yellow-legged frog is the same as the red-legged frog*

*Page 4.4-46 Impact 4.4-1*

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration.*

*Registration for 6 plants for personal use is not a County requirement*

*Page 4.4-47*

*A total of 27 special status wildlife species were identified as having potential to occur in County...*

*Should read: in Nevada County*

*if the species occur at the site, through disturbance to suitable habitat during ground disturbance activities, such as construction of storage ponds and installation cultivation sites.*

*Should read: installation of cultivation sites*

*All enrollees under the North Coast Order and Central Valley Order must transition the Cannabis General Order by July 1, 2019. Further information*

*Should be a space between July 1, 2019 and Further*

*Page 4.4-50*

*To ensure sound is reduced to acceptable levels, Mitigation Measure BIO-1, would amend the proposed NCCO to require all projects under either a CCP or an ADP to keep all generators while they are in use, in containment sheds while in use to reduce generator noise to no greater than 50dB as measured at 100 feet from any sensitive habitat or known sensitive species.*

*These should be ventilated containment sheds to prevent the buildup of emissions for safety to an individual entering the shed and avoidance of combustible gases which may be another hazard (Fire or explosion)*

*Page 4.4-51*

O-12  
cont'd

O-13

O-14

O-15

O-16

O-17

O-18

As discussed above, implementation of the proposed NCCO could result in disturbance to or loss of special status wildlife species and habitat. For all projects under both CCPs and ADPs, **including the estimated existing 3,500 cannabis cultivation sites**, implementation of Mitigation Measure BIO-2 would be required. Mitigation Measure BIO-2 would amend the Proposed NCCO to require all applicants to submit materials for a biological pre-screening of all project sites under both CCPs and ADPs.

How can these measures be required on the existing 3,500 cannabis cultivation sites? In this EIR, these 3,500 sites are included in the existing baseline condition. Only when these existing sites convert to a commercial cannabis cultivation license or are abandoned could these measures be implemented. There is no identified County process to neither abandon an existing cultivation site nor restore the site to a predeveloped condition. Many previous growers do not even remove unpermitted greenhouse structures or make an attempt to mitigate impacts of previous cultivation activities.

If these noncompliant cultivation sites were removed and the sites restored there would be a net benefit to the environment. Considering the number of these illegal grow operations, the overall impact of all new legal and permitted cannabis cultivation in the County could be completely offset by the removal and restoration of the illegal grow operations.

Page 4.4-53

**BIO-1 Generator Noise:** The proposed NCCO shall be amended to require all projects under either a CCP or an ADP to **keep all generators in containment sheds whiles in use to reduce generator noise to no greater** than 50dB as measured at 100 feet from any sensitive habitat or known sensitive species.

Again the containment shed should be ventilated

Page 4.4-56

Cannabis cultivation under a CCP could have a maximum cannabis canopy **of 2,500 sf and maximum accessory structure of 625 sf** plus other related improvements such as driveways and staging areas.

Again, 25% for accessory structures is not adequate. Please see the write-up in the attached materials relating to accessory structures.

Page 4.4-57

To reduce the impacts, Mitigation Measure BIO-2 would amend the proposed NCCO to include a requirement for project applicants to **provide screening materials for biological**

O-18  
cont'd

O-19

O-20

O-21

resources, including riparian or sensitive habitats, to determine if these habitats existed onsite.

Shouldn't this read: pre-screening materials instead of screening materials?

If potential impacts on these biological resources **cannot reduced to** less than significant, no permit would be issued.

There should be the word "be" between cannot and reduced

Page 4.4-58

To reduce impacts on wetland habitats, Mitigation Measure BIO-2 would amend the proposed NCCO to include a requirement for project applicants to **provide screening materials for biological resources**, including riparian or sensitive habitats, to determine if these habitats existed onsite.

Shouldn't this read: pre-screening materials instead of screening materials?

Page 4.4-61

If any of these resources are located on the project site and if the proposed canopy area, accessory structure, or proposed improvements such as driveways or staging areas would adversely impact a sensitive habitat, then a Biological Inventory would be **required to demonstrated** the sensitive habitats have been avoided or that other impact reductions and compensatory measures consistent with Sections L-II 4.3.7 of the Nevada County Land Use and Development Code have been implemented on a project-specific basis.

The word "be" should be inserted between the words to and demonstrated

- **Clustering of development would be required for all projects on parcels 20 acres or greater within the North San Juan and Penn Valley areas where existing parcellation within two square miles of the project averages 20 acres or more;**
- **Clustering of development would be required for all projects on parcels of 40 acres or more that are within a migratory deer wintering range in rural regions west of Range 12 east line, where existing parcellation within two square miles of the project site averages 40 acres or more in size.**

What is clustering on a cannabis project? This section appears to apply to residential development and not cannabis.

## Section 4.5 Cultural and Tribal Resources

Page 4.5-5 through 4.5-8 Table 4.5-1 Historical Resources of Nevada County

O-21  
cont'd

O-22

O-23

O-24

O-25

O-26

The following entries in the table do not have any “x” checkmark in the five columns. These are Archeological Site 4-Nevada-251, Bridge No. 17C-30, Caldwell’s Upper Store Site, Englebright House, The Lone Grave

O-26  
cont'd

Page 4.5-12

The **Federal** Paleontological Resources Preservation Act of 2002 (Act) provides protection from excavating, removing, or altering a paleontological resource located on Federal.

O-27

Add the word land or lands after the word Federal

Page 4.5-20

The cultural resources ordinance specifies the mitigation procedures to be followed once a resource has been identified and determined to be significant. The preferred measure would be avoidance and/or protection of a site by project redesign or fencing, etc. If the resource is or will be impacted, a professional archaeologist/historian/ architectural historian should be contacted to set up a **research design** to deal with the resource

O-28

Define what a research design is or modify the term used. Also there should be a period at the end of the paragraph

Page 4.5-25

#### A. Resource and Constraint Information.

1. Where required within each subsection of this Section, project applications shall provide for the professional site-specific inventory and analysis of the resources and constraints identified in this Section. Inventories and analyses shall be funded by the applicant but prepared by independent consultants approved by, or under the direction of, County staff. This evaluation shall include recommended mitigation and/or alternatives necessary to avoid or lessen impacts. Based on this evaluation, the County shall determine the acceptable level of resource impact and constraint avoidance of the project. All of the following resources and constraints shall be reviewed:

O-29

##### a. **Important agricultural lands.**

The entire project is located only on Agricultural Lands or Timber Lands. Timber lands have environmental concerns addressed elsewhere in this EIR and impacts are potential for wildlife as well as cultural resources. Since the county does not recognize cannabis as an agricultural crop and yet only allows commercial cultivation on either agricultural lands or timber lands and has not considered other land uses such as RA-Rural zoned properties, which are neither agricultural or timber, the potential to have impacts on

important agricultural lands is elevated. Alternatives for cannabis cultivation on other land uses should be included in the EIR

O-29  
cont'd

Page 4.5-27

*The impact analysis is based on the known county-wide cultural and paleontological resources information that is publicly available. The evaluation of the proposed project's potential effects on cultural and paleontological resources, and the potential for human remains, is at the program level. This EIR sets forth the research criteria and report content needed to enable a project-level evaluation of a cultural or paleontological resource. Any individual projects resulting from this proposed project would be required to undergo a separate CEQA evaluation pertaining to project-specific details and would be required to adhere to the research criteria and report content set forth herein.*

O-30

On Page 4.5-14 and Page 4.5-19, the text states **"PALEONTOLOGICAL RESOURCES** No state or local agencies have specific jurisdiction over paleontological resources on private lands. No state or local agency requires a paleontological collecting permit to allow for the recovery of fossil remains discovered as a result of construction-related earthmoving on state or private land in a project site".

If there is no jurisdiction from the State or local agency, how can a CEQA evaluation be triggered for a paleontological resource in this section, especially a separate CEQA evaluation pertaining to project specific details?

In addition, on Page 4.5-17 the following statement is provided **"CALIFORNIA PENAL CODE, SECTION 622** Title 14 Section 622 of the California Penal Code provides misdemeanor penalties for willfully injuring, disfiguring, or destroying any monument, or objects of historic or archaeological interest located on public or private lands, but specifically excludes the landowner."

O-31

If the landowner is excluded from damaging or destroying these objects, where is the authority in this section to preserve these artifacts?

These are inconsistencies that should be resolved in this EIR

Page 4.5-28

*The proposed NCCO would prohibit personal outdoor cultivation within areas designated as residential (R-1, R-2, R-3, and R-A).*

O-32

Outdoor cultivation is permitted on RA-Rural zoned properties above 5 acres in size.

Page 4.5-29

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones.*

O-33

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration.*

O-33  
cont'd

The requirement for personal registration for 6 plants has been removed.

Page 4.5-31

*A condition of approval shall include a provision for cultural resources discovered during development construction. Any person who, in the process of project activities, discovers any cultural resources and/or human remains within the project area, shall cease from all project activities within at least 200 feet of the discovery.*

O-34

On Page 4.5-32 under CUL-2: the requirement is 50 feet and on Page 4.5-36 under MM CUL-3: the requirement is 50 feet

The last paragraph should read completed and not complete

Page 4.5-32

First paragraph, the word "a" should be inserted before Management Plan. The next paragraph should have the first word "the" capitalized

O-35

Page 4.5-33

*The proposed NCCO, as stated above, would enable a process by which future cannabis cultivation for both personal commercial uses could occur legally within the County.*

O-36

Should read "personal or commercial uses"

*While it is expected that most existing and future commercial cannabis cultivation sites would not contain significant archaeological resources either buried or know that would be...*

O-37

Should read "known" not know

Page 4.5-35

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration.*

O-38

The requirement for personal registration for 6 plants has been removed.

*While it is expected that most existing and future commercial cannabis cultivation sites would not contain significant archaeological resources either buried or know that would be...*

O-39

Should read “known” not know

Page 4.5-37

Artifacts that date **from 1,4000 BC**, typical to the Martis Valley, have been found and indicating a hunter-gatherer system, but that eventually

Is this 1,400 BC or 14,000 BC

O-39  
cont'd

O-40

## Section 4.6 Geology and Soils

Page 4.6-2

**Peek ground** is a measure of the strength of the shaking measured at a given point.

Is the word peek correct or should this be peak?

Fault to the west and the Wolf Creek Fault Zone **(Highway 49 lineament)** in the western portion of the county (Nevada County, 2013).

Maybe Highway 49 alignment would be a better term

Page 4.6-9

Today, the Nevada County area consists of the lower and middle foothills of the Sierra Nevada mountain range and those areas within the **mountains that are the sheer** and defined by steeply dipping,

What is “within the mountains that are the sheer and...”

Page 4.6-16

*Projects that involve disturbance of one acre of soil or more or are part of a common plan that in total disturbs more than one acre, are required to obtain NPDES coverage under the NPDES General Permit for Storm Water Discharges Associated with Construction Activity (General Permit), Order No. 2009-0009- DWQ. The General Permit requires the development and implementation*

The State Water Board has issued a General Order which requires Dischargers of waste from cannabis cultivation sites to enroll in the State program. Item 5 from the State report reads: “Under this General Order, “Dischargers” are defined as any person engaged in cultivating cannabis that discharges or threatens to discharge waste where it could affect the quality of waters of the state. This term includes landowners, growers, lessees, and tenants of private land where cannabis is grown and of lands that are modified or maintained to facilitate cannabis cultivation. This term does not include

O-41

O-42

those individuals whose cultivation activities occupy and/or disturb less than 1000 square feet.”

c. Conditionally exempt Dischargers cultivate cannabis commercially and disturb less than 2,000 square feet. (See the Exemptions for Certain Cultivation Activities section of this General Order for more information.)

d. Tier 1 Dischargers have a disturbed area greater than 2,000 square feet and less than 1 acre (43,560 square feet).

e. Tier 2 Dischargers have a disturbed area equal to or greater than 1 acre

Pages 4.6-23, 4.6-25, 4.6-26, 4.6-28, 4.6-29, 4.6-32, 4.6-34, 4.6-35

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, and would require to registration with the enforcing officer, and through an administrative action, obtain proof of registration.*

The requirement for registering 6 plants has been eliminated

Page 4.6-23

*As part of the ADP process, the sites proposed for use for commercial or non-remuneration cultivation would be required to provide proof of compliance with federal, State, and local laws and regulations, including, but not limited to the most recent CBC (CCR Title 24), Alquist-Priolo Act, Nevada County General Plan (NCGP), and the Nevada County Land Use and Development Code Title III - Chapter V Buildings.*

*In regard faults and Alquist Priolo Zone or ground rupture, conformance to the development standards contained in Section L-II 4.3.8 Earthquake Faults & Seismically Sensitivity would be required for cultivation projects under an ADP.*

It is our understanding that Commercial Cannabis Projects that are 2,500 square feet or less are required to comply with the same regulations as those which are between 2,500 sf and 10,000 sf, with the only difference being the type of final approval for the project. (Building department verses an administrative hearing)

Pages 4.6-25, 4.6-27, 4.6-28, 4.6-29, 4.6-33, 4.6-34, 4.6-35,

*Some commercial cannabis cultivation activities under a CCP may occur in areas that are considered seismically active and at risk of fault rupture. All cannabis cultivation projects under a CCP would be required to comply with all applicable building code requirements. Conformance with the CBC as well as all County building codes would ensure that all habitable structures used for cultivation purposes comply with the most recent requirements to reduce the adverse effects, including the risk of loss, injury, or*

O-42  
cont'd

O-43

O-44

O-45

death from strong seismic ground shaking. This would include prohibiting cultivation in areas that could exacerbate an existing seismic hazard. This would ensure that impacts in this regard are less than significant.

Cannabis cultivation for commercial or non-remuneration for projects under and ADP would require processing as part of the design and review process to ensure conformance to applicable regulations and could be made by the Planning Director. As part of the ADP process, the sites proposed for use for commercial or non-remuneration cultivation would be required to provide proof of compliance with federal, State, and local laws and regulations, including, but not limited to the most recent CBC (CCR Title 24), Alquist-Priolo Act, Nevada County General Plan (NCGP), and the Nevada County Land Use and Development Code Title III - Chapter V Buildings. More specifically, during the plan review process the county would ensure that existing structures comply with all applicable building codes, and that plans for all new structures conform to the design requirements of the California Building Code seismic design standards and Nevada County Building Code. Compliance to federal, State, and local laws, regulations, and policies would ensure the risks of strong seismic ground shaking are not increased and also would reduce potential impacts to cannabis-related facilities from adverse effects of strong seismic ground shaking to less than significant.

It is our understanding that Commercial Cannabis Projects that are 2,500 square feet or less are required to comply with the same regulations as those which are between 2,500 sf and 10,000 sf, with the only difference being the type of final approval for the project. (Building department verses an administrative hearing)

*Existing cannabis cultivation projects that are part of the estimated 3,500 currently operating in the County also would have to apply for a CCP or and ADP depending on their cannabis canopy size and parcel acreage.*

There is no requirement that existing operations must apply for a commercial cannabis permit. Many of these existing 3,500 existing cultivation operations are located on parcels not eligible for cannabis cultivation either because of zoning, lot size or setbacks. Property owners who wish to cultivate commercial cannabis may apply to obtain a permit to legally cultivate on their site. Since there is no current abatement procedure for existing cultivation sites that do not comply with the zoning, lot size or setbacks other than the removal of plants beyond the exempt personal exclusion, it should be expected that a majority of the existing and illegal grow sites would remain and not be removed and that the impacts from these sites would not be mitigated until they were removed and the sites restored to conditions which existed before cannabis cultivation operations were constructed on the site. Some of these operations may be converted to other crops, but most likely as long as the facility exists there is a likelihood that future cannabis cultivation would continue on the site without licenses or permits. Only the removal of

O-45  
cont'd

O-46

greenhouses and other infrastructure and restoration of the site would mitigate impacts of previous cannabis operations and the requirements to physically remove these facilities is not currently contained in any regulation or ordinance that we are now aware of.

Only 121 State Temporary permits were issued in Nevada County as of 12/31/2018 which was the cutoff date for issuance of State Temporary Licenses. Some people did not get their applications in on time and were not issued Temporary Licenses. If the County were to issue even 500 permits in the next 2 or 3 years for commercial cultivation, over 3,000 sites would remain unpermitted. Without a direction to remove these unpermitted facilities and enforcement to ensure that they are removed and the sites are mitigated to a condition that existed prior to cannabis cultivation, it would appear unreasonable to conclude that impacts from these existing cultivation sites to the waters and soils in the county would be eliminated. So even though these sites are part of the existing baseline condition, ongoing impacts should be expected. Whether these are considered significant or not, the reality is that this topic should be addressed in the EIR and appropriate mitigation measures developed to respond to these conditions be fully addressed.

Additionally, on page 4.6-32 the text reads:

*In addition to the listed development standards, erosion on the estimated 3,500 existing cannabis cultivation operations as well as future cannabis cultivation sites would be controlled using standard construction practices and best management practices (BMPs) throughout the life of the projects. Accordingly, all existing and future projects would be evaluated to ensure that where and when required, bare soil is stabilized during the earthwork needed to create the planting/garden sites. Individual projects would be evaluated, and based on their size and location compliance with the Federal CWA, as well as regulations of the State Water Resources Control Board (SWRCB), including preparation of a Stormwater Pollution Prevention Plan (SWPPP), which would include existing and future project site-specific BMPs for erosion and sediment control, or a Water Resources Protection Plan (WRPP) would be prepared and implemented depending on the cultivation area, water sources, and proximity to water sources.*

*Adherence to these applicable state and local regulations, codes and requirements, identified above, would ensure that impacts associated with construction and operational related soil erosion would be less than significant.*

Without having regulations in place which requires the removal of permitted cannabis operations and inspections of these facilities it is unlikely that a “less than significant” finding is warranted.

Page 4.6-30

Commercial cannabis cultivation would be expected to be distributed throughout the County and **would likely occur on some lands within steep slopes** or soils prone to erosion.

The State Water Board will not issue a permit for cannabis cultivation on sites where the cultivation site is located on ground steeper than 50% and all projects that are located on ground between 30% and 50% fall into the Water Board High Risk Category which requires significant management and monitoring as well as special erosion control plans and mitigation.

The bullet items which start with "Utility trenching" and that continue onto page 4.6-31 appear to correspond to only steep slopes or slopes with high erosion potential. Are there specific requirements for grading on projects that are not considered steep or soils prone to erosion?

O-48  
cont'd

## Section 4.7 Hazards and Hazardous Materials

Page 4.7-5

The proposed project is within the jurisdiction of both the **Central Coast RWQCB and the San Francisco Bay RWQCB.**

O-49

The project is located in the jurisdiction of the Central Valley Regional Water Quality Control Board for the western portion of the county or the Lahontan Region on the eastern portion of the county.

NPDES regulations are administered by the RWQCB. Projects that disturb one or more acres are required to obtain NPDES coverage under the Construction General Permits.

The State Water Board has issued a General Order which requires Dischargers of waste from cannabis cultivation sites to enroll in the State program. Item 5 from the State report reads: "Under this General Order, "Dischargers" are defined as any person engaged in cultivating cannabis that discharges or threatens to discharge waste where it could affect the quality of waters of the state. This term includes landowners, growers, lessees, and tenants of private land where cannabis is grown and of lands that are modified or maintained to facilitate cannabis cultivation. This term does not include those individuals whose cultivation activities occupy and/or disturb less than 1000 square feet."

O-50

c. Conditionally exempt Dischargers cultivate cannabis commercially and disturb less than 2,000 square feet. (See the Exemptions for Certain Cultivation Activities section of this General Order for more information.)

d. Tier 1 Dischargers have a disturbed area greater than 2,000 square feet and less than 1 acre (43,560 square feet).

- e. Tier 2 Dischargers have a disturbed area equal to or greater than 1 acre

O-50  
cont'd

Page 4,7-10

*Any antenna structure of 20 feet or less in height, except one that would increase the height of another antenna structure.*

O-51

20 feet for an antenna does not appear to be very high. Is this number correct?

Page 4.7-12

*Division 20, Chapter 6.5 addresses hazardous waste control and contains regulations on hazardous waste management plans, hazardous waste reduction, recycling and treatment, and hazardous...*

O-52

There appears to be a formatting problem on the text in this sentence

Page 4.7-14

*In addition, Section 17213(b) requires the local education agency to consult with the applicable air district to identify facilities within 0.25 mile of the proposed site that might reasonably be anticipated to emit hazardous air emissions or handle hazardous materials, substances, or wastes and prepare written findings that either there are no such facilities, the facilities do not pose a health risk, or corrective measures will be taken (consistent with Section 21151.8 of the Public Resources Code).*

O-53

The current draft cannabis regulations specify a setback of 1,000 feet from special uses. The 0.25 mile setback shown in this section should be consistent with the cannabis ordinance. If another county code section requires this setback or mitigation plan, it should be referenced in the cannabis ordinance. The state requirement is 600' from schools.

*The state requires that projects disturbing more than 1 acre of land during construction file a Notice of Intent with the RWQCB to be covered under the statewide General Permit for Storm Water Discharges Associated with Construction and Land Disturbance Activities.*

The State Water Board has issued a General Order which requires Dischargers of waste from cannabis cultivation sites to enroll in the State program. Item 5 from the State report reads: "Under this General Order, "Dischargers" are defined as any person engaged in cultivating cannabis that discharges or threatens to discharge waste where it could affect the quality of waters of the state. This term includes landowners, growers, lessees, and tenants of private land where cannabis is grown and of lands that are modified or maintained to facilitate cannabis cultivation. This term does not include

O-54

those individuals whose cultivation activities occupy and/or disturb less than 1000 square feet.”

c. Conditionally exempt Dischargers cultivate cannabis commercially and disturb less than 2,000 square feet. (See the Exemptions for Certain Cultivation Activities section of this General Order for more information.)

d. Tier 1 Dischargers have a disturbed area greater than 2,000 square feet and less than 1 acre (43,560 square feet).

e. Tier 2 Dischargers have a disturbed area equal to or greater than 1 acre

Page 4.7-15

Large cases of hazardous materials contamination or violations are referred to the RWQCB and the DTSC.

What does the term DTSC refer to?

Page 4.7-17

Businesses that handle or store hazardous materials equal or greater than the minimum reportable quantities listed below in Nevada County are required to prepare a Hazardous Materials Business Plan (HMBP). The minimum reportable quantities are:

- 55 gallons of a hazardous liquid
- 200 standard cubic feet of a compressed gas, including oxygen

Does the 200 gallons of compressed gas include propane and propane tanks?

Page 4.7-18

Goal EP-10.1 Provide a coordinated approach to hazard and disaster response preparedness.

The font used in this section does not match the rest of the document

Page 4.7-20

Related to disposal of wastes, Section G-IV 8.7 Waste Disposal requires that no person shall dump, deposit, or otherwise dispose of any hazardous waste at disposal sites. As it would pertain to the proposed project, some existing commercial cannabis operations currently use pesticides and fertilizers and would use fuels and lubricants for operations of machinery and these materials would be required to be used and handled safely.

How will existing cultivation sites that are not obtaining cultivation permits be inspected or monitored for hazardous materials or hazardous wastes?

O-54  
cont'd

O-55

O-56

O-57

O-58

*In part, the purpose of the development standards is to avoid the impact of development projects on sensitive environmental resources and natural site constraints. The following discusses those standards applicable to geology and soils and specific requirements related to the protection of the associated resource(s) is discussed in Section 4.7.4: Potential Impacts and Mitigation Measures, below.*

O-58  
cont'd

*This should probably refer to hazardous materials and not geology and soils.*

*Section L-II 4.3.18 Wildland Fire Hazard Areas. This section includes regulations intended to prevent or minimize the impact of wildland fire hazards associated with development. This section used the following*

O-59

*It appears that this is an incomplete sentence*

*Page 4.7-21*

- Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school*
- For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area*
- For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area*

O-60

*The current draft cannabis ordinance reads 1,000 feet and the state requires 600' from schools*

*As part of this action, the proposed project is meant to help ensure public health and safety, and to protect the environmental by legalizing and permitting existing cultivation as well as providing a means for new cultivation to obtain approval through the procedures described in the proposed regulations. The proposed ordinance includes the following restrictions regarding hazardous materials:*

O-61

*The current draft cannabis ordinance does not provide a path to permit existing cannabis cultivation without the owner of the parcel or applicant with the owner's permission to apply and obtain a commercial cannabis cultivation license. No property would be legally converted for commercial cannabis cultivation without obtaining both a local and State permit. Cultivators who do not obtain cannabis cultivation permits would be operating illegally if cultivating more plants than allowed for personal use or as provided for in the current ordinance, which currently number about 3,500 in the county today. Without obtaining permits or completely abating these existing illegal cannabis operations, potential exposure to hazardous materials should continue to be expected on cultivation*

sites within the county. Only an enforced ordinance directing the removal and abatement of these non-permitted cultivation sites, would reduce the potential exposure to hazardous materials and reduce the impacts to less than significant.

Page 4.7-22

or 200 cubic feet of **compressed gas**.

Again, does this include propane tanks?

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, and would **require to registration** with the enforcing officer, and through an administrative action, obtain proof of registration.*

The registration requirement for 6 plants has been eliminated

***While none of the estimated 3,500 existing or potential future cannabis cultivation projects would be operated as hazardous materials sites**, the cultivation would result in the use of some hazardous materials include cleaning solvents, fertilizers, pesticides, and other materials and equipment commonly used for agricultural production and maintenance of facilities.*

Unlicensed cultivation sites should be abated or permitted

***All of the existing estimated 3,500 cannabis cultivation operations also would be required to show conformance to applicable regulation to obtain a permit.** If they are not in compliance, they would have to prove compliance prior to issuance resulting in fewer cultivation sites out of compliance and reducing the potential for harmful effects. This screening process would ensure that sites with known hazardous contamination are required to remediate the issues in order to ensure safety of the future uses, surrounding public, and the environment. This would be accomplished through investigation and remediation prior to continued or new operations on the sites.*

Again there needs to be a formal policy to eliminate unlicensed cultivation sites as well as an inspection program and development mitigation measures to clean up these unlicensed sites. Just suggesting that this be done to mitigate environmental concern is not enough to eliminate a potential significant concern in the EIR. There is not a mechanism in place that allows for existing cultivation sites that are not being permitted to store or use hazardous materials on these cultivation sites. Unpermitted cultivation sites would have little incentive not to utilize pesticides or rodenticides which are illegal for licensed cannabis operators. Current policy is driven by complaints and about 10% of the complaints files result in a visit by law enforcement. When cultivation sites are visited

O-61  
cont'd

O-62

O-63

O-64

O-65

and the number of plants exceeds the limit allowed, only the additional plants are abated and not the cultivation facility itself.

If an existing cannabis cultivation site is not eligible to apply for a cannabis cultivation permit or decides not to obtain a permit and wishes to grow other types of agricultural crops or nursery items within the space formally occupied by cannabis cultivation, there should be a much abbreviated permit process for these operators. The conversion from illegal cannabis to other agriculture would be a benefit and reasonable criteria could be established for setbacks, water quality and hazardous materials including pesticide use.

Page 4.7-23

As part of this action, **the proposed project would remove or reduce cannabis cultivation in residential areas and allow increased cultivation in General Agriculture (AG), Agriculture Exclusive (AE), and Forest (FR) zones, including commercial cultivation for medical purposes.**

There is no current requirement to remove the existing cannabis operations with in county except for requiring permits to cultivate commercial cannabis which does not by itself eliminate the existing 3,500 cannabis cultivation sites. Without abatement these unlicensed sites still have the potential to impact the environment from dust, soils washed into streams, unsecured hazardous materials and pesticide storage and general deterioration of hoop houses and greenhouses which will decompose and potentially be blown away with high gusts of wind. Without cannabis cultivation occurring, these sites may become neglected or be an inducement for continued operations which may not be permitted or licensed.

Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, and would **require to registration** with the enforcing officer, and through an administrative action, obtain proof of registration.

The registration requirement for 6 plants has been eliminated

**Potentially hazardous materials are used at some of the estimated existing 3,500 cannabis cultivation sites and would be used at future cannabis cultivation sites that would be constructed and operated under the proposed NCCO.**

Again, these 3,500 sites need to be addressed to reduce the potential impacts of hazardous materials.

Page 4.7-24

O-65  
cont'd

O-66

O-67

O-68

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, and would require to registration with the enforcing officer, and through an administrative action, obtain proof of registration.*

**The registration requirement for 6 plants has been eliminated**

*As discussed in Impact 4.7-2, the proposed project would not permit and would hence help **remove or reduce commercial cannabis cultivation in residential areas** while permitting commercial cultivation in General Agriculture (AG), Agriculture Exclusive (AE), and Forest (FR) zones.*

*This requirement would be the same for the estimated 3,500 existing cannabis cultivation sites as well as new cultivation locations. The permitting requirement would be the same and the proposed NCCO could have the effect of reducing the number of cultivation sites currently operating inside the 1,000-foot setback.*

**There is currently there is no requirement to remove these 3,500 unlicensed facilities in the draft cannabis ordinance. There is only a provision to allow for licensing on certain properties.**

*Prior to the construction of any project site within **one-quarter mile** of an existing school, all requirements of CEQA Guidelines Section 15186 and Division 20 of the Health and Safety Code would be required to be met. Based on the above and with adherence to state guidelines and regulations, a less than significant impact would occur in this regard.*

**The only setbacks discussed are the 100' setback from property lines and the 1,000 setback from special sites. There is no mention of special studies etc. being required within ¼ mile of a school in the draft cannabis ordinance. The state has a 600' setback from schools.**

*Page 4.7-25*

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, and would **require to registration** with the enforcing officer, and through an administrative action, obtain proof of registration.*

**The registration requirement for 6 plants has been eliminated**

**As part of the permitting and application process, all sites, including the estimated 3,500 existing cultivation sites, that apply for permits for commercial or non-remuneration cannabis cultivation would be required to provide proof of compliance with, State, and local laws and regulations, related to hazards and hazardous materials.**

O-69

O-70

O-71

O-72

O-73

There is currently there is no requirement to have these 3,500 unlicensed facilities apply for permits in the draft cannabis ordinance. There is only a provision to allow for licensing on certain properties.

O-73  
cont'd

Page 4.7-27

Implementation of the project, in conformance with existing laws, would regulate and provide consistency with state law and to enable a structured and logical management procedure for the cultivation of cannabis within all unincorporated areas within the County. As part of this action, the proposed project is meant to help ensure public health and safety, and to protect the environmental by legalizing and permitting existing cultivation as well as providing a means for new cultivation to obtain approval through the procedures described in the proposed regulations.

O-74

Cannabis permits will be issued only for certain properties with the county. Of the 3,500 existing cannabis cultivation sites, only small number of property owners may obtain commercial cannabis permits. Since there is no current requirement to abate former cannabis cultivation sites which are not licensed, a continued public health and safety hazard may be expected in the county. Without abatement these unlicensed sites still have the potential to impact the environment from dust, soils washed into streams, unsecured hazardous materials and pesticide storage and general deterioration of hoop houses and greenhouses which will decompose and potentially be blown away with high gusts of wind. Without cannabis cultivation occurring, these sites may become neglected or be an inducement for continued operations which may not be permitted or licensed.

Section 8.12.080 of the City's Municipal Code states that the City Disaster Council is responsible for the development of a City Emergency Plan, which would provide for the effective mobilization of all of the resources of the City to meet any condition constituting a local emergency, state of emergency, or state of war emergency, and should provide for the organization, powers and duties, services, and staff of the emergency organization. However, a City Emergency Plan has not yet been prepared and is, therefore, not available at this time.

O-75

This EIR is for Nevada County and reference to a City appears to be in error.

As part of the CCP and ADP process, the sites proposed for use for commercial or non-remuneration cultivation including the estimated 3,500 existing cannabis cultivation sites, would be required to provide proof of compliance with federal, State, and local laws and regulations related to fire safety. The development and review process would include verification that existing and proposed cannabis cultivation conforms to all applicable fire protection related provisions of the Land Use and Development Code. Conformance to the following Chapters and requirements would be confirmed and renewal of the ACP

O-76

would ensure continual compliance. If compliance is not maintained, the permit could be denied.

There is no current requirement to remove the existing cannabis operations within county except for requiring permits to cultivate commercial cannabis which does not by itself eliminate the existing 3,500 cannabis cultivation sites. Without abatement these unlicensed sites still have the potential to impact the environment from dust, soils washed into streams, unsecured hazardous materials and pesticide storage and general deterioration of hoop houses and greenhouses which will decompose and potentially be blown away with high gusts of wind. Without cannabis cultivation occurring, these sites may become neglected or be an inducement for continued operations which may not be permitted or licensed.

Pages 4.7-28 and 3.7-29

All cannabis cultivation projects also would be required to comply with standards if they are located in high or very high fire hazard zones (unless they are found to be exempt during the development review process):

All projects must comply with fire regulations whether they are located in a high or very high fire zone or not. There may be additional standards for each fire zone and more specificity relating to the differences between the fire zones would be helpful.

Lastly, all future commercial cannabis projects within the very high wildland fire hazard severity zone are required to submit a Fire Protection Plan (FPP) to be approved by the Fire Marshall and/or his/her designee.

Please specify where this requirement is located in the fire code. The draft cannabis cultivation ordinance does not provide a distinction in design requirements for different fire hazard zones.

## Section 4.8 Hydrology and Water Quality

Page 4.8-1

Nevada County is 978 square miles and a diversity in resources. The western portion of the County is Sacramento Valley at an elevation of 300 feet and the highest point is the peak of Mount Lola at 9,143 feet.

Should read: and contains a diversity of resources. The western portion of the county is the Sacramento Valley

Page 4.8-2

O-76  
cont'd

O-77

O-78

O-79

O-80

The North and Middle Yuba Rivers come together below **New Bullards** Bar Reservoir and **form the mainstem** Yuba River

Should read: New Bollards Reservoir and forms the mainstream Yuba River.

The Bear River Basin – The Bear River originates about 20 miles west of the crest of the Sierra Nevada in northern Placer County within the boundaries of the Tahoe National Forest. The Bear River forms just below Spaulding Reservoir via the Drum Canal and is the second largest tributary to the Feather River. **It flows in southwesterly direction** and drains approximately 277 square miles of Nevada County. **The river received flows** from the Sierra Nevada Mountains and for much of its course it forms the boundary between Nevada and Placer Counties.

Should read: It flows in a southwestern direction... Thee river receives flows...

Page 4.8-3

Define the term SWRCB and CWA which are being used here for the first time

The Yuba River Watershed contains significant amount of sediment and mercury as a result of hydraulic mining that occurred in the mid to **late 1900s**.

Should read 1800s

Sediment loads can also be attributed to historical mining as **well as road construction associated with rural housing development**, logging, and recreation

Existing roads for rural housing should have been considered part of the baseline of this EIR. Vegetation would have reappeared after construction and all new rural development requires an extensive development permit process designed to mitigate erosion and other impacts of the project.

West); Wolf Creek and French Ravine are listed for **fecal coliform** and bacteria, respectively (SRWP, 2018).

What is the source of this fecal pollution? Is this outfall being directed to existing waterways by sewerage treatment plants or are these malfunctioning septic tank system. What mitigation measures are proposed or that are currently in place to mitigate this impact to the waters of the State?

In addition, the SWQCB has designated Donner Lake, **as impaired “water quality limited segments”** due to elevated levels of metals and/or toxic organic substances in fish tissue sample under the SWRCB Toxic Substances Monitoring Program (SWRCB, 2012).

Is this the correct term?

Page 4.8-4

There is a large blank space at the end of the page and yet some text that may belong to this section is spilling over to page 4.8-8

Figure 4.8-1

This figure is very blurry and difficult to read

Page 4.8-8

There are populated areas within the inundation zone of several of these dams; others have public property (such as roads) located down creek.

Should this read: downstream

Table 4.8-1: Damns in Nevada County list the remaining dams and the city or town in which they are located

Dams might be a better spelling than Damns

Page 4.8-10

Construction sites are the largest source of sediment for urban areas under development.

With the implementation of storm water runoff protection measures as required by the Water Board and local agencies these sediments should be contained. Development of proper mitigation measures and monitoring are the main objectives of these measures. Unmitigated construction has caused many problems in the past; however this statement in the EIR does not appear valid given the extensive efforts by various agencies to ensure these sediments are not diverted to surface waters.

Page 4.8-11

When nitrogen fertilizer is applied in excess of plant needs, nitrates can leach below the root zone, eventually reaching groundwater.

Excessive nutrients can also runoff the site on the soil surface which may impact surface waters.

According to the General Plan EIR, the western portion of the County has naturally occurring elements such as heavy metals that can contribute to water quality degradation.

O-86  
cont'd

O-87

O-88

O-89

O-90

O-91

O-92

Where specifically are these naturally occurring heavy metals in the western portion of the County? How will naturally occurring heavy metals be distinguished from other heavy metals, which could be associated with cannabis cultivation?

O-92  
cont'd

#### BACTERIA

*Bacteria levels in undiluted urban runoff exceed public health standards for water contact recreation (including canoeing and rafting), almost without exception. According to the General Plan EIR the bacteriological results of the 1974 DWR study found degradation of the surface waters due to the unsatisfactory disposal of domestic sewage through the use of septic tanks and leach field systems.*

Was any mitigation proposed in the General Plan to reduce these impacts? Is any mitigation or monitoring measures being proposed to reduce these impacts as part of this Draft Cannabis Ordinance EIR?

O-93

Any new development include cannabis projects is subject to a rigorous design review and permit process which would identify areas of concern and provide measures to mitigate the proposed projects impact. A large portion of the county is utilizing septic systems and leach fields for sewer disposal which would be typical for a rural county. Septic systems need to be maintained and like most other constructed facilities, they may fail on occasion. A comprehensive plan should be developed in one does not already exist, to inspect existing private sewer systems and develop comprehensive maintenance standards for these existing systems as part of an overall county project.

Page 4.8-12

*Section 402 authorizes the California State Water Resources Control Board (SWRCB) to issue NPDES General Construction Storm Water Permit (Water Quality Order 99-08-DWQ).*

O-94

Should read: Permits

Page 4.8-14

*Designation does not prohibit developer or gives the federal government control over private property. Protection of the river is provided through voluntary stewardship by landowners and river users and through regulation and programs of federal, state, local, or tribal governments.*

O-95

Should read: does not prohibit development

Page 4.8-15

O-96

DHS is accountable to EPA for program implementation and for adoption of standards and regulations that are at least as stringent as **those developed by EPA.**

Should read: those developed by the EPA

Page 4.8-16

The SWRCB developed a policy for water quality control to establish principles and guidelines for cannabis cultivation statewide. The principles and guidelines include measures to protect springs, wetland, and aquatic habitats from negative impacts of cannabis cultivation. The policy includes instream flow objectives, limits on diversions, and requirements for screening of diversions and elimination of barriers to fish passage.

**The policy also includes requirements that apply to groundwater extractions, forbearance**

Please provide the language of specific groundwater requirements outlined in the SWRCB document that is referred to in this statement. The only reference located is the following statement which comes from the State Water Board document pertaining to cannabis, which is item 67 of the document, page 38 of Attachment A, which reads:

Groundwater diversions may be subject to additional requirements, such as a forbearance period, if the State Water Board determines those requirements are reasonably necessary to implement the purpose of this policy.

Page 4.8-17

At the time of the General Plan EIR, RWQCB staff are currently sampling

Is this referring to a previous EIR prepared for a County General Plan or is this referring to the EIR for the proposed cannabis ordinance?

Table 4.8-2: CVWQCB Tiers

This table is outdated and should not be included in this document. The statewide General Order has replaced the Central Valley Regional Water Quality Control Board requirements.

Page 4.8-21

Porter-Cologne Water Quality Control Act of 1970 (Division 7 of the California Water Code) is California's primary statute governing water quality and water pollution issues with respect to both surface waters and groundwater. The Porter-Cologne Water Quality Control Act (Porter-Cologne Act) grants the State Water Resources Control Board (SWRCB) and each of the nine Regional Water Quality Control Boards (RWQCBs) power to protect water quality, and is the primary vehicle for implementation of California's responsibilities under the CWA. **The applicable RWQCB for the project area**

O-96  
cont'd

O-97

O-98

O-99

O-100

*is the Lahontan Regional Water Quality Control Board (LRWQCB). Under the Porter-Cologne Act, the SWRCB and RWQCBs have the authority and responsibility to adopt plans and policies, regulate discharges to surface and groundwater, regulate waste disposal sites and require cleanup of discharges of hazardous materials and other pollutants.*

*The Lahontan Regional Water Quality Control Board only applies to Eastern Nevada County and Western Nevada County is covered by the Central Valley Regional Water Quality Control Board. However it is now the State Water Board that will issue permits for cannabis cultivation and all projects must be converted to the overall State system by July 31, 2019.*

*Page 4.8-22*

*California Water Code Section 13050(e) defines “waters of the state” as “any surface water or groundwater, including saline waters, within the boundaries of the state.” California Water Code Section 13260 requires that any person discharging waste, or proposing to discharge waste, within any region that could affect the quality of the waters of the State, other than into a community sewer system, must submit a report of waste discharge to the applicable RWQCB.*

*Does this requirement extend to private septic tank and leach field systems? If private systems are included, what are the requirements at the local level for permitting and where are these requirements published? How are they monitored or enforced?*

*Specifically, the Act establishes a definition of “sustainable groundwater management,” requires that a Groundwater Sustainability Plan be adopted for the most important groundwater basins in California, establishes a timetable for adoption of Groundwater Sustainability Plans, empowers local agencies to manage basins sustainably, establishes basic requirements for Groundwater Sustainability Plans, and provides for a limited State role.*

*Is there such a plan prepared and adopted for use in Nevada County? If so where can the plan be reviewed and what reference to such a plan if it exists, is provided in this EIR? If a plan does not exist, are efforts in process to prepare such a plan for the County, and when would this plan be prepared? If a plan does exist, when was the plan adopted and what recommendations were included in the plan? If the county is not preparing a plan, is another agency preparing such a plan?*

#### **RECYCLED WATER POLICY**

*The following goals were included in the Recycled Water Policy:*

- Increase use of recycled water over 2002 levels by at least one million acre-feet per year by 2020 and at least two million acre-feet per year by 2030.*

O-100  
cont'd

O-101

O-102

O-103

- Increase the use of stormwater over use in 2007 by at least 500,000 acre-feet per year by 2020 and at least one million acre-feet per year by 2030.
- Increase the amount of water conserved in urban and industrial areas by comparison to 2007 by at least 20 percent by 2020.
- Included in these goals is the substitution of as much recycled water for potable water as possible by 2030.

O-103  
cont'd

Since cannabis is a consumable product and subject to very strict testing to ensure the safety of the public, recycled water from sewerage treatment plants could not be used in general cultivation activities. Storm water retention and rainwater capture could be utilized to harvest water; however either of these activities may trigger a larger disturbed area footprint on a cultivation site and create more environmental issues, which may not offset the benefit of onsite water capture.

Page 4.8-23

**Non-residential developers** are further encouraged to integrate treatment BMPs that result in zero net increase in runoff due to development and can treat runoff from the 85<sup>th</sup> percentile storms.

O-104

Should read: Non-Residential developments

Page 4.8-24

the proposed project is subject to CEQA under Water Code Section 10910; 2) the proposed **project meets criteria** to be defined as a "Project" under Water Code Section 10912; and 3) the applicable water agency's current

O-105

Should read: project meets the criteria

Page 4.8-24

Policy 11.3A **The County shall provide for a comprehensive and organized system of well log data.** Such data shall be generalized as necessary to protect confidentiality of individual wells. This information will be utilized by decision makers to assist in the making of land use decisions.

O-106

Does this well log data exist and was the data reviewed as part of the preparation of this EIR? If the data was reviewed, what summary of findings can be included in this EIR? Have maps or exhibits been developed of the groundwater data?

Page 4.8-26

O-107

*Policy 11.6B In order to determine the potential long-term effects of the continued use of septic tank/leachfield systems on groundwater quality, the County shall provide for a comprehensive and organized database of system failures based on current and updated data available in the Department of Environmental Health. Such information shall assist the County in determining existing and potential septic tank/leachfield system problem areas.*

O-107  
cont'd

Does this septic tank and leach field data exist and was the data reviewed as part of the preparation of this EIR? If the data was reviewed, what summary of findings can be included in this EIR? Have maps or exhibits been developed of the septic tank and leach field system? What mitigation measures have been developed for the problem private sewer systems?

Page 4.8-29

*According to Appendix G of the CEQA Guidelines, the proposed project would have a significant aesthetic impact if it would:*

O-108

Should read: significant impact

Pages 4.8-30, 4.8-33, 4.8-35, 4.8-36, 4.8-37

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration.*

O-109

The personal registration requirement has been deleted

Page 4.8-31

*Development of new commercial cannabis cultivation site and modification of existing sites under the proposed ordinance would result in preparation of small structures for manufacturing, processing, and dispensing cannabis, water detention features for water storage...*

O-110

Cannabis dispensing is not an allowable activity under the current Draft Cultivation Ordinance

*A CCP would be used for cultivation of 2,500 sf or less of canopy and accessory structure(s) with a maximum of 625 sf. Therefore, the maximum land disturbance not including roadways or other areas of disturbance would be approximately 3,125 sf or approximately 7.0% of an acre. An ADP would result in a maximum canopy of 10,000 sf and a maximum of 2,500 sf of accessory structures. Therefore, the maximum land disturbance not including roadways or other areas of disturbance would be approximately 12,500 sf. or approximately 28% of an acre. It not expected that the*

O-111

*overall area of disturbance including access roads, stock piles, etc. would exceed 1.0 acres. If overall disturbance exceeds 1.0 acres, this would trigger compliance with the General Permit for Discharges of Storm Water Associated with Construction Activity Construction General Permit Order 2009-0009-DWQ, or The Lahontan Regional Water Board (Regional Water Board 6SLT) that has adopted its own permit (R6T -2016-0010) to regulate storm water discharges from construction activity in the Lake Tahoe Hydrologic Unit.*

Only designating 25% of the canopy area for supporting structures or land uses is not adequate to support the commercial cannabis operation. For indoor or mixed light greenhouse cultivation operations, the entire canopy would typically be harvested at one time and for example and 2,500 square foot canopy would require about 50% of the canopy area for drying the harvest. In addition, the immature plant area which is not counted in the canopy area would require up to 25% of the licensed canopy area to grow plants and ready them for the next planting cycle within the licensed canopy area. Also, the pesticide storage buildings, covered and protected soils storage areas, other hazardous materials storage (Fuel) and enclosed generator structure would also add to the total footprint outside of the licensed canopy area.

### **Accessory Structures Areas, Drying and Trimming Areas, Immature Plants**

The supporting areas outside of the canopy should be sized correctly to support the cannabis cultivation. State laws requires that operations on the same site. Say an outdoor license and a mixed-light license cannot share drying areas, trimming area or secured storage areas. A total canopy of 10,000 square feet requires 10,000 square of drying area just by definition if the entire plants are hung and dried at one time. If the plants are broken down before drying, which requires additional labor and cost to the grower, the square footage could be reduced to less than 50% of the canopy. Preferably the drying area would be enclosed and some level of filtering provided to reduce the odor during this phase of the operation. Processing, which is an area that requires lighting and HVAC could be accomplished in a fairly small footprint, but since there are employees for cultivation and trimming, a bathroom is required and can be shared for multiple license operations. Some sites may also have a shower and changing area for employees as part f their quality control plan to reduce the risks of containments into the processing and cultivation areas.

State law requires secure storage and like the processing and drying areas each license type must have separate spaces. An office where the required records can be kept would also likely be included for the larger cultivation sites. Other areas of the site which are located outside of the canopy area are the pesticide storage and hazardous materials storage areas, tools and equipment storage area, covered area for a standby backup generator and covered soils area which could be under solid cover to comply

O-111  
cont'd

O-112

with Water Board Best Management Practices. A tarp over a pile of soil be not provide the best protection for streambeds when a project in adjacent to a waterway. The area of soils storage would vary between operators. Another area which is significant for operations is the immature plant area located outside of the canopy. Outdoor cultivators may just place plants in pots and cover the area with a temporary structure (hoop house or low tunnel greenhouse) in the spring to protect the plants. An indoor or mixed-light greenhouse is growing under a controlled environment in most cases year round. Immature plants are not counted as part of the canopy in state regulations and would be placed near the greenhouse and covered before moving into the licensed canopy area. These plants are not allowed to flower outside the canopy and would be smaller in footprint than the licensed canopy area. If 25% of the licensed canopy area is established for immature plants, most type of operations would be accommodated.

The soils storage area would need only a roof and maybe 400 square feet of covering for a 10,000 operation. The pesticide and hazardous materials structures would areas could be a maximum of 25 square feet each and if two operations were conducted on the same site were separate from each other or state law placed requirements on these spaces being combined and used between multiple licenses, a total of 100 square feet should be ample for a 10,000 cultivation site. The composting area if used by the license holder for onsite composting (Cannabis waste cannot be burned), does not need to be covered but must be shown on the site plan.

The solid waste collection / storage area also is not required to be covered but must be shown on the site plan. A single building for drying, processing, secure storage for a 10,000 cultivation site where there were 2 cultivation licenses on the same site, say one outdoor of 5,000 sf and one mixed light of 5,000 sf would require separate spaces for each license. The drying, processing and secured storage areas would need to be separate for each license, but they could both be contained in the same building. Some areas could be shared such as a single bathroom, shower, changing area, office and small amount of storage area as well as hallway and break room for employees. All of these activities could possibly fit in a single 3,200 square foot building (40' x 80' metal building), but additional space for drying, which could be contained in an agricultural building would also be required. This sample building layout could provide 2) drying areas of 1120 sf (28' x 40') each, 2) processing areas of 192 sf (12' x 16') each, 2) secure storage areas of 72 sf (6' x 12') each, a single wheelchair accessible bathroom of 48 sf (6' x 8') and single shower and changing area and storage of 48 sf (6' x 8') plus a small breakroom, hallway and office / file storage of 144 sf (12' x 12'). The concern of this layout is the small footprint for cannabis drying which is only 1,120 sf which is just 22% of the canopy area. If the entire crop were harvested at once additional drying areas would be required but these could be placed in a separate space such as an agricultural

O-112  
cont'd

building and rotated into the main processing building after drying. At a minimum there should be an allowance for 50% of the canopy available for drying.

As mentioned the additional drying area could be just a simple agricultural building and if a total of 5,000 of drying were required for a 10,000 square foot facility, and 2,240 sf was provided in the main processing building an additional 2,240 square feet of drying space would be required would need to be divided in half to meet the state requirements of separation. Since the main processing building will likely require fire sprinklers, moving the additional drying area into an agricultural building would also reduce the project's development cost. Dehumidification and odor control may be other considerations for the agricultural building. Additionally, this is only a proposal for an example type of one cultivation site, and one hundred different cultivators may have 100 different ways of cultivation and processing.

In summary, this example for a 10,000 square foot operation which is licensed for one 5,000 outdoor and one 5,000 mixed-light operation, which is a fairly common setup for commercial operations being proposed on 20 acre or larger sites, would require the following supporting covered square footage outside the canopy area and could be summarized as follows:

O-112  
cont'd

| Supporting Ancillary Buildings and Immature Plant Area                                                                                                                                                                                                 |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------|-------------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| 10,000 Square Feet of Total Cultivation                                                                                                                                                                                                                |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |
| Assumes 2 Licenses on the Site: 5,000 sf Mixed Light Plus a 5,000 sf Outdoor Cultivation                                                                                                                                                               |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |
| All Areas Described Below are Required to be Shown on the Site Plan to Obtain a State License if Processing (Drying and Trimming) is Performed at The Cultivation Site, Except for the Shower, Break Room, Hallway and Office and Records Storage Area |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |
| Feb. 2, 2019                                                                                                                                                                                                                                           |                         |                                   |                         |                            | Description ;                                                                                                                                                                                                                |                    |
|                                                                                                                                                                                                                                                        | Temporary Covered Space | Other Agricultural Building Space | Enclosed Building Space | Uses Contained in Building | * These Use must be Separated for Multiple Licenses on a Single Site<br>** These Uses can be Shared                                                                                                                          | % of Total Canopy  |
| Immature Plants*                                                                                                                                                                                                                                       | 2,500 sf                |                                   |                         |                            | 2) 1,250 sf Areas                                                                                                                                                                                                            | 25% of canopy      |
| Single Processing Building                                                                                                                                                                                                                             |                         |                                   | 3,200 sf                |                            |                                                                                                                                                                                                                              | 32% of canopy      |
| Drying Areas*                                                                                                                                                                                                                                          |                         |                                   |                         | 2,240 sf                   | 2) 1,120 sf Drying Areas                                                                                                                                                                                                     |                    |
| Processing Areas*                                                                                                                                                                                                                                      |                         |                                   |                         | 384 sf                     | 2) 192 sf Processing Areas                                                                                                                                                                                                   |                    |
| Secured Storage Areas*                                                                                                                                                                                                                                 |                         |                                   |                         | 144 sf                     | 2) 72 sf Secured Storage Areas                                                                                                                                                                                               |                    |
| Bathroom**                                                                                                                                                                                                                                             |                         |                                   |                         | 48 sf                      |                                                                                                                                                                                                                              |                    |
| Shower Changing Area**                                                                                                                                                                                                                                 |                         |                                   |                         | 48 sf                      |                                                                                                                                                                                                                              |                    |
| Hallway and Break Room**                                                                                                                                                                                                                               |                         |                                   |                         | 192 sf                     |                                                                                                                                                                                                                              |                    |
| Office and Records Area**                                                                                                                                                                                                                              |                         |                                   |                         | 144 sf                     |                                                                                                                                                                                                                              |                    |
| Other:                                                                                                                                                                                                                                                 |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |
| Additional Drying Areas*                                                                                                                                                                                                                               |                         | 2,760 sf                          |                         |                            | 2) 1,380 sf Additional Drying Areas                                                                                                                                                                                          | 27.6% of Canopy    |
| Soils Storage Area**                                                                                                                                                                                                                                   |                         |                                   | 400 sf                  |                            |                                                                                                                                                                                                                              | 4.0% of Canopy     |
| Hazardous Material Storage**                                                                                                                                                                                                                           |                         |                                   | 50 sf                   |                            |                                                                                                                                                                                                                              | 0.50% of Canopy    |
| Pesticide Storage**                                                                                                                                                                                                                                    |                         |                                   | 50 sf                   |                            |                                                                                                                                                                                                                              | 0.50% of Canopy    |
| Tools and Equipment Storage**                                                                                                                                                                                                                          |                         |                                   | 400 sf                  |                            |                                                                                                                                                                                                                              | 4.0% of Canopy     |
| Enclosed Standby Generator**                                                                                                                                                                                                                           |                         |                                   | 25 sf                   |                            |                                                                                                                                                                                                                              | 0.25% of Canopy    |
| Summary of Space Outside of Canopy                                                                                                                                                                                                                     |                         |                                   |                         |                            | Note: The Total Drying Area Shown Equals 5,000 Square Feet which is 1/2 of the Total Canopy. Drying Areas Cannot be Shared Between Licenses. The Harvest Would Require Breaking Down the Plants to Fit into The Drying Area. |                    |
| Single Processing Building                                                                                                                                                                                                                             |                         |                                   | 3,200                   |                            |                                                                                                                                                                                                                              |                    |
| Agriculture Building Space                                                                                                                                                                                                                             |                         | 2,760                             |                         |                            |                                                                                                                                                                                                                              |                    |
| Other Covered Areas Total                                                                                                                                                                                                                              |                         |                                   | 925                     |                            |                                                                                                                                                                                                                              |                    |
| Total Enclosed and Covered                                                                                                                                                                                                                             |                         |                                   | 6,885                   |                            |                                                                                                                                                                                                                              | 68.8% of Canopy    |
| Immature Plant Area                                                                                                                                                                                                                                    | 2,500                   |                                   |                         |                            |                                                                                                                                                                                                                              | 25% of Canopy Area |
| Total Outside of Canopy                                                                                                                                                                                                                                |                         |                                   | 9,385                   |                            |                                                                                                                                                                                                                              | 93.85% of Canopy   |

For project evaluation purposes it should be assumed an area equal to the total canopy should be considered for project evaluation. This additional 100% of area outside the canopy area is required for supporting areas needed for the cannabis cultivation. Composting areas are excluded from the calculations.

Commercial cannabis cultivators need room to produce their products. Significant expense is required to develop these sites, and there is no benefit for the County or the operator for site requirements to be so constrained, that operator would not be able to be successful. Fewer well designed cannabis operations are far better for the community than the addition of many more sites even with a slightly smaller individual footprint. Abandoned cultivation sites which fail financially, will have to be mitigated and properly closed and will place additional burdens and all of the regulating agencies.

Reasonable requirements for supporting and ancillary buildings must be part of the cannabis cultivation ordinance. A 25% solution as currently proposed is not even close to being adequate to support commercial cannabis operations as discussed above. Besides it is far better to deal with the realities of supporting structures in the beginning

O-112  
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rather than later, when structures just show up on properties to support cultivation, so an operator can financially survive in what is likely to be a very competitive market. The total footprint for a 10,000 square foot cultivation site would reach about 20,000 square feet plus what is required for roads and parking. If grading is involved the entire disturbed area of a 20 acre parcel may reach 1.3 acres to 1.5 acres, while 20 acre sites which doesn't require grading could be constructed in about ½ acre of total disturbed area if a driveway and parking already exist adjacent to the cultivation area. A 5,000 canopy cultivation site would require a similar need for ancillary structures than the 10,000 cultivation site examined, which would equal 5,000 sf of covered area outside the canopy. The 2,500 square foot canopy site would require 2,500 square feet outside the canopy.

O-112  
cont'd

The State Water Board requires dischargers to register all cannabis cultivation sites larger than 2,000 square feet and places requirements on each registered site based on the area of disturbance, proximity the water courses and slope of the land. All projects must prepare a Site Management Plan for a project which is over 2,000 square feet and a Site Erosion Sediment Control Plan is required for Tier 1 or Tier 2 Dischargers where the disturbed area is located on a slope greater than 30%. High Risk projects, which are defined as projects (or any portion of a project) located within the setback area (Watercourse setback) shall prepare a Disturbed Area Stabilization Plan. Tier 1 projects are less than 1 acre and Tier 2 projects are greater than an acre.

O-113

A 10,000 square foot commercial cannabis operation that was half Greenhouse (5,000 square foot Mixed Light) and half Outdoors (5,000 Outdoors), would require two separate licenses from the State. The State regulations also prevent these two licenses from sharing drying and processing as well as secured storage areas even on the same property and same licensee holder. As such the footprint for supporting facilities would expand beyond the size of an operation that was operated as only one license.

For a 10,000 facility which is part outdoor and part mixed-light the total disturbed area may be 1.3 and even up to 2 acres, and the total footprint including the licensed canopy area, immature plant area, hazardous materials storage area, generator building processing and drying building, secured storage areas, restroom and shower, office and records storage, composting area, pesticide storage and covered soils storage areas could total an additional 10,000 square feet. This does not include roadways, walks, parking or other site improvements such as landscaping or fire protection zones and water tanks / mixing tanks, septic tanks or leach field improvements. Installation of underground electrical conduits, security camera wiring conduits, site lighting and other underground utility extensions may also be located on the site and outside of the disturbed area.

O-114

The new statewide General Order from the Water Board was supposed to replace all of the Regional General Orders in the State and all applicants who are seeking coverage under the statewide cannabis General Order are required to apply under the new statewide system by July 31, 2019.

O-114  
cont'd

*It is expected that most projects, both CCPs and ADPs would result in the disturbance of less than one- acre. These projects would be required to conform with County Code Sec. L-V 13.14 Erosion Control. This section of code requires project implement long-term erosion and sediment controls, minimize disturbance areas, preserve vegetation, among others to reduce erosion during construction.*

O-115

As outlined in the above comment, the total disturbed area for 10,000 commercial cultivation sites could reach a size of 2 acres. Access, site topography, setbacks and circulation among other factors may necessitate the need for a larger footprint than one acre. Smaller cultivations of 2,500 to 5,000 square feet may generally fit within a 1 acre footprint.

Page 4.8-32

*Therefore, after construction and during the life of the proposed project, non-point-source pollutants would be the primary contributors to potential water quality degradation. Non-point-source pollutants would be washed by rainwater from rooftops, landscaped areas, parking areas and other impervious surfaces into the onsite drainage system.*

O-116

Rooftop drainage could be captured for reuse and landscape areas, impervious surface drainage could be collected in onsite basins to capture sediments prior to release into the drainage system.

As a result, potential impacts would be significant. Therefore, future **proposed project** would be required to comply with respective RWQCB cannabis policies.

O-117

Should read: proposed projects

As a result, the proposed project would ensure that stormwater flows and associated sediments, particulates, and contaminants contained within the runoff would be collected at the project site and **discharged to the existing municipal storm drain system** and subsequently conveyed to permitted treatment facilities.

O-118

Most of the drainage systems in the County are natural watercourses and not municipal storm drains being conveyed to permitted treatment facilities. The property owners developing any project (Outdoor, Greenhouse or Indoor) must comply with all regulations related to clean water and utilize all available onsite remedies to prevent sediments or pollution from reaching the natural watercourses. Indoor cultivation sites, located in urban areas which have connections to municipal sewer systems can generally

discharge directly into these wastewater systems, by obtaining adequate permits, without pretreatment as long as the municipal facility can adequately treat the waste stream from the cultivation site.

Pages 4.8-32 and 4.8-33

*Limiting development adjacent to creeks would significantly reduce the potential for trash or other pollutants associated with urban runoff to be discharged into them. Moreover, planting native vegetation and restoring eroded areas along creeks, as well as minimizing grading near creeks and using existing ranch roads for path locations along creeks would help to prevent erosion and sedimentation of creeks.*

Development along creeks is already covered by setback requirements established by the State Water Quality Control Board and required mitigation for any encroachment into the setback area has been addressed in the Water Board requirements. As the state has the responsibility to protect these waters, as has developed a body of law and established restrictions for the protection these waters, applicants should be directed to State requirements for all projects where these regulations apply.

Page 4.8-33

*Future proposed projects under the proposed NCCO would be required to comply with laws and regulations controlling on-site pollutants ensure that the threat of pollution from improperly constructed sites would not result in water quality degradation.*

Should read: on-site pollutants to ensure

*All cannabis cultivation activities would be evaluated for their compliance with the Cannabis General Order and placed into Tier 1, Tier 2, or Tier 3 threat category.*

Should read: their compliance with the State Water Board General Order

There are only Tier 1 and Tier 2 categories in the revised Water Board regulations

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration.*

The registration requirement has been deleted

Page 4.8-34

*Below 6,000 feet of elevation there are a total of 9,311 parcels on which either personal or commercial cultivation could occur. These parcels are not served by NID. Of these parcels, there are 866 AG or AE parcels, and 8,445 R1, R2, R3, RA, and TPZ parcels.*

O-118  
cont'd

O-119

O-120

O-121

O-122

O-123

*The total water demand from these parcels, should they have the maximum cultivation areas would be approximately 11,894,803 gpy or 36.5 AFY.*

O-123  
cont'd

*The calculated water use figures are inaccurate. See comments below for Pages 4.8-33 and 4.8-34 and Pages 4.16-15 through 4.16-22 below.*

*Additionally, as discussed above, it is unknown how many of these parcels that could accommodate cultivation under the proposed NCCO are currently cultivating cannabis, but it is assumed for the purpose of a complete analysis that all eligible parcels would cultivation upon adoption of the proposed project.*

O-124

*It is an unreasonable assumption that all parcels would cultivate cannabis. A detailed analysis on this topic is included below. To summarize, it would take 388 years to buildout every parcel in the county based on the historic growth rate of 70 new cannabis cultivation sites per year over the past 50 years. This is assuming that the actual number of parcels being evaluated in this EIR could ever have a residence built on the parcel. About 14,500 new residences are required for a cannabis cultivation to occur on every one of the 27.207 parcels, as discussed in other comments provided. Parcel counts are viewed to be significantly overstated in this draft EIR due to the number of new residences required.*

*Groundwater use for individual wells is not currently regulated within the unincorporated areas of the County, and well users are not required to monitor and provide well logs.*

O-125

*Both the State Water Board and the California Department of Food and Agriculture who administer the Cal Cannabis licensing program, require well information from applicants for cannabis licensing who use well water for cannabis cultivation. This includes copies of well reports and the GPS coordinates for the well locations. Most well reports show a well log and pumping rate at the well head in gallons per minute, the size, depth and date the well was drilled, a local well identifying number or permit number and the well driller.*

*Additionally, the groundwater within the western portion of the County is located with a fissured granite aquifer, which is given its physical make-up is difficult to measure and quantify the amount of groundwater available for pumping.*

O-126

*Should read: which given*

*Therefore, adoption and implementation of the proposed project could result in a substantial depletion of aquifers and/or ground water as a result of increased use of individual groundwater wells. This depletion could result in water shortages and reduction in water availability for existing users and typical residential non-cannabis cultivation related demands. Thus, the potential impacts on groundwater supply are considered significant.*

O-127

The draft level impacts being assessed are based on information which greatly exaggerate the number of parcels eligible for commercial cannabis production, greatly overstates the projected water use for each cultivation site, wrongly assumes that every single parcel in the AG, AE and FR zones will develop a commercial cannabis operation and makes no allowance for water conserving techniques which could reduce the demand for water for each cannabis plant.

O-127  
cont'd

The calculated water use figures are inaccurate. See comments below for Pages 4.8-33 and 4.8-34 and Pages 4.16-15 through 4.16-22 below.

*Related to ground water recharge capacity, commercial cannabis cultivation operations would consist of **growing plants similar to existing agricultural production**.*

O-128

Most cannabis is cultivated in raised beds, cloth or plastic pots or indoors in plastic solid or mesh pots or other medium such as Rockwool, or coir fiber dust blocks without pots. Cannabis is generally not planted directly in the ground like traditional agriculture like row crops or rice.

*Page 4.8-34, 4.8-35*

*Therefore, commercial Cannabis operations in Nevada County under the proposed ordinance have the potential to **deplete local groundwater supplies and affect adjacent wells as a result of water demands**. Under the proposed ordinance, future commercial obtain and disclose an irrigation water service verification. While this requirement would address the potential effects in areas with a water supplier, it does not address groundwater availability for the use of water wells associated with commercial cannabis cultivation using individual groundwater wells. Over an extended period of time future cannabis operations could adversely affect the groundwater supply for new wells as well as wells on adjacent properties. This impact would be considered significant and unavoidable.*

O-129

### **MITIGATION MEASURES**

*The County currently does not have a mechanism to regulate groundwater use for any type of land use application within the unincorporated areas. No feasible mitigation measures have been identified that could be implemented on a project by project level.*

See comments below on water use which includes an evaluation of the number of parcels considered in this EIR, how long it would take to convert all of these parcels to commercial cannabis cultivation and the overstatement of water use per plant which was included in the draft EIR calculations for water use. When this data is reviewed and revised this section of the document should be re-written to correspond to the actual projected water use and not a worst case event.

*Pages 4.8-33 and 4.8-34 and Pages 4.16-15 through 4.16-22*

As discussed in Section 4.16 Utilities and Service Systems, total water demand estimated for the commercial and personal use cultivation is 5,785,879,558 gallons per year (GPY), or 17,756.21-acre feet per year (AFY). This estimate includes all eligible parcels including the estimated existing 3,500 cannabis cultivation sites. The exact cultivation area on these sites; however, is not known, but it is assumed that upon enrollment in the permitting process they would either be reduced the maximum allowable sf based on parcel size or increase to the maximum allowable sf based on parcel size. The reduction was calculated because this would be required for these growers to become compliant with the proposed NCCO, and the increase was calculated to ensure all potential water demand is evaluated.

The number of parcels which are included in the EIR for cannabis cultivation would require the construction of approximately 14,500 new residences in the AG, AE and FR zones for qualification in the cannabis licensing program. In addition the water use per plant is vastly overstated. Please see the comments for the number of employees required for cannabis production, trimming, and requirements for new housing and impacts to the population as a result of the commercial cannabis program, on page 4.12-7 below. The following Table appears to represent parcels in the rural areas of the parcels which have existing residences. This information was provided at the Board of Supervisors meeting in May 2018. While the Table does not specifically parcels with residences, after careful evaluation and calculations it appears that this is the case. It does not match the 27,027 parcels in Nevada County in the AG, AE and FR zones as the parcels in these zones only total 12,666 parcels in the following Table.

**RURAL ZONING DISTRICTS- Minus Public Owned Parcels**

| <b>Zoning District (GP Des)</b> | <b>2 to 2.99 ac.</b> | <b>3 to 4.99 ac.</b> | <b>5 to 9.99-ac.</b> | <b>10-ac and &gt;</b> | <b>Total</b>  |
|---------------------------------|----------------------|----------------------|----------------------|-----------------------|---------------|
| <b>AE</b>                       | 2                    | 5                    | 12                   | 121                   | <b>140</b>    |
| <b>AG</b>                       | 1,261                | 1,539                | 3,432                | 4,131                 | <b>10,363</b> |
| <b>FR</b>                       | 118                  | 286                  | 653                  | 1,106                 | <b>2,163</b>  |
| <b>RA (RES)</b>                 | 273                  | 211                  | 104                  | 52                    | <b>640</b>    |
| <b>RA (EST)</b>                 | 902                  | 905                  | 533                  | 189                   | <b>2,529</b>  |
| <b>RA (other/rural)</b>         | 422                  | 588                  | 1,191                | 323                   | <b>2,524</b>  |
| <b>RA Subtotal</b>              | <b>1,597</b>         | <b>1,704</b>         | <b>1,828</b>         | <b>564</b>            | <b>5,693</b>  |
| <b>Total</b>                    | <b>2,978</b>         | <b>3,534</b>         | <b>5,925</b>         | <b>5,922</b>          | <b>18,359</b> |

Source: Nevada County GIS Parcel Layer 1/8/18

Water Use:

O-129  
cont'd

The water use shown in Table 4.16-2 for all lots between 2 and 5 acres in the AE, AG and FR zones cannot cultivate outdoors as stated in the draft ordinance, so using water consumption figures for outdoor cultivation for these sites is not accurate and distorts the potential impacts of water use.

Table 4.16-2 reflects a total of 27,207 parcels where outdoor cultivation could occur. If the 2 acre to 5 acre parcels were eliminated (using the parcel count as shown in Table 3.16-2) which total 6,836 parcels, the remaining 20,371 parcels would be eligible for outdoor cultivation. This represents 237% more parcels than is reflected in the Community Development table for parcels with residences in the AG, AE and FR zones provided to the Board of Supervisors at the time the cannabis ordinance was written in May 2018.

Pages 2-1, 2-2 and 2-3 of the Water Supply Evaluation contained in Appendix E: of this EIR include the following statements:

*California's legalized cannabis production is in its infancy stage. And, in other areas in the United States, cannabis production is also in its early stages, limiting reliable data that is applicable to California's geographical conditions. As such, there is a distinct lack of scientifically developed and peer reviewed published crop data supported by government institutions. Where information is currently available, it is typically from the few existing commercial operations where reporting is mandatory, from out of state operations with different climatic conditions, or from industry publications where transparency and impartiality should be questioned. Nevertheless, there is sufficient publicly available information that allows for an analytical evaluation to calculate water demands associated with cannabis production in Nevada County. Out of an abundance of caution, the methodology in this WSE is conservative, erring on the side of additional water demand so that the water-related impacts associated with adoption of the Ordinance are not underestimated.*

*After reviewing the details of the proposed Ordinance and the growing methods allowed by the Ordinance, a water use comparison was identified. The water demand information was derived from a Cannabis Water Use Study published in the Humboldt Grower in 2015. The methodologies identified here consisted of the traditional Proposition 215 related method of outdoor cultivation and was compared to modern indoor bed cultivation.<sup>9</sup>*

As pointed out in the above paragraphs, there is a distinct lack of scientific data related to cannabis water use but there is sufficient publicly available information for an analytical evaluation of the water used for cannabis cultivation. The water demand source utilized in this EIR was derived from information contained in a document titled Cannabis Water Use Study published in the Humboldt Grower in 2015. The article also

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O-130

pointed out that the Emerald Growers Association, which has replaced the Humboldt Growers Association, no longer supports these statistics.

This water article can be found online and references a proposed ordinance presented by the Humboldt Growers Association which stated that “cannabis used an average of 22.7 liters (about 6 gallons) of water per day”. This 6 gallon number was also copied by the California Department of Fish and Wildlife in 2015 and has been much disputed by other organizations such as NORML which cited that the average water consumption is closer to 2.6 gallons per day per plant outdoors. Further, the Humboldt article included other water use studies which included one 5 year study of water use which determined that water was used at a rate of 1.75 gallons per day per plant for 180 days. This study utilized 100 gallon pots with pots located 12 feet on center.

The California Cannabis Regulations specify that a Specialty Cottage Outdoor license is an outdoor cultivation site with up to 25 mature plants and that a Specialty Cottage Mixed-Light Tier 1 and 2 is a mixed-light cultivation site with 2,500 square feet or less of total canopy. Nevada County has limited outdoor canopy size to 2,500 square feet on parcels of 5 to 10 acres in the AG, AE and FR zones which generally conform to the State license category for 25 plants outdoors. This indicates that a single plant would have a canopy of 100 square feet and that that as defined by the State license an outdoor grower would be limited to 25 plants within the 2,500 square foot footprint.

State law also specifically states that “Outdoor cultivation” means the cultivation of mature cannabis plants without the use of artificial lighting or light deprivation in the canopy area at any point in time (Page 3 of Cal Cannabis Regulations). This means that growers can no longer cover their outdoor plants and force early flowering and generally will be unable to grow more than one crop per year on a given outdoor cultivation site.

With water use projected at 6 gallons per day per plant, which is still a very disputed amount of water, and a total outdoor grow season of 150 to 180 days, a 2,500 square foot outdoor grow site (5 to 10 Acre Parcel) would use between (25 x 6 x 150 days) 22,500 gallons to (25 x 6 x 180 days) 27,000 gallons per year per site. Table 4.16-2 of the EIR shows 112,969 gallons which is more than 4 times the water use as described above utilizing the same source of information to calculate the water consumption. More detail will be provided in the following comments as the number of cycles per year that a cultivator may operate, but for most of the evaluations made in this EIR the assumption was made that 1/3 of parcels would grow outdoor, 1/3 in mixed-light and 1/3 indoors. Except for the 2 to 5 acre parcels which were limited to 500 square feet indoors.

For cannabis cultivations on sites between 10 and 20 acres a 5,000 square foot canopy outdoors would use 54,000 gallons (27,000 x 2 as shown in the 2,500 sf site above). The water use shown in table 4.16-2 shows 245,938 gallons. Water use on outdoor cannabis sites which are 20 acres or more correspond to a 10,000 canopy and would use 108,000

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cont'd

gallons of water (27,000 x 4 as shown in the 2,500 sf site above) compared to the 491,875 gallons per parcel shown in table 4.16-2.

The parcels which are greater than 2 acres less than 5 acres are not permitted to grow outdoors in any land use category as stated in the draft cannabis ordinance. These parcels are allowed a maximum canopy of 500 square feet and must be located indoors and may not be located in a residence. These properties would require cannabis to be grown under lights and could be grown year round. If an equivalent outdoor canopy was applied, 500 square feet would mean 5 plants and at a water use rate of 6 gallons per day for 180 days were applied and 2 grows per year were obtained the water use could be estimated at (5 x 6 gallons x 180 days x 2 grows) or 10,800 gallons per year. However, indoor cultivation is much better managed than outdoor, the plants are smaller and the pots are smaller, drip irrigation is used and hydroponics is sometimes involved, there is less evaporation, better monitoring of water use and some recycling, which when combined the water use would be less than an equivalent outdoor water use. Considering these factors, and also understanding that the outdoor cultivation is using water for 6 months of the year for a single crop and indoor mixed light are producing 3 crops with four month cycles, the water use would be similar for a 2,500 square outdoor as a 2,500 square foot indoor and mixed light cultivation which equals 27,000 gallons per year using the higher figure described in the previous paragraph. This would reduce the 500 square foot facility to 5,400 gallons per year. Data in the EIR table 4.16- shows water use of 24,594 gallons per year for these parcels.

In summary, water use in the EIR is greatly overstated. Based on the number of parcels and the amount of water used the following comparison is provided:

#### **Parcel Count Comparison:**

Community Development Data:

|                                  | Parcels with Residences | EIR Data Table 4.16-2 |
|----------------------------------|-------------------------|-----------------------|
| AG, AE, FR Parcels 2 to 5 acres  | 3,211                   | 6,836                 |
| AG, AE, FR Parcels 5 to 10 acres | 4,097                   | 8,228                 |
| AG, AE, FR Parcels over 10 acres | 5,358                   | 12,143                |
| Totals                           | 12,666                  | 27,207                |

#### **Annual Water Use per Site for Outdoor Cultivation:**

Based on 6 Gallons per day / plant

EIR Data Table 4.16-2

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cont'd

|                                        |                 |                 |
|----------------------------------------|-----------------|-----------------|
| 2 to 5 acre site annual use per site   | 5,400 gallons*  | 24,594 gallons  |
| 5 to 10 acres annual use per site      | 27,000 gallons  | 112,969 gallons |
| 10 to 20 acres annual use per site     | 54,000 gallons  | 245,938 gallons |
| 20 acres or larger annual use per site | 108,000 gallons | 491,875 gallons |

\*Indoor Only

Water use in mixed-light and indoor cultivations would use less water than an outdoor cultivation for a variety of reasons. The management of mixed-light and indoor cultivation is far more rigorous than outdoor cultivation. Any excess water must be handled and cannot be disposed of by draining these waters to the outside of the cultivation area unless the waste water is treated, as required by the State Water Board regulations. Some may be stored in tanks for offsite disposal and some may be discharged into an onsite septic system, but general, overwatering which is common outdoors would not occur in enclosed facilities. Some cultivators use hydroponics to cultivate cannabis where all of the water is recycled. Almost every other cultivator will use a drip irrigation system that can be adjusted to meet the plant's needs. Evaporation inside of these cultivation spaces will not be like an outdoor cultivation site. Generally the plants are much smaller indoors, and there are far many more plants than outdoors. This leads to tighter spacing of the plants and overwatering is one source of problems with attracting unwanted pests and other diseases that accompany overwatering and that could spread to adjacent plants.

Additionally, the power costs of running a well, pumping water to storage tanks and distributing water to the plants with pumps is expensive. For these reasons, a typical 2,500 square foot facility would use less than 1/2 the water per growing cycle than an outdoor facility and probably closer to 1/3. With three growing cycles per year as the basis, which is used in the calculations provided to determine total project yields, energy use demands and employment requirements for the 27,207 parcels, the water use would be  $(27,000 / 2 \times 3 \text{ grows per year}) = 40,500$  gallons per year using 1/2 the water per cycle as a 2,500 square foot outdoor cultivation. By using 1/3 of the water as an outdoor cultivation the water use would be calculated  $(27,000 / 3 \times 3 \text{ grows per year}) = 27,000$  gallons or exactly the same as the outdoor cultivation for a 2,500 square foot facility.

#### **Total Annual Water Use Comparison:**

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cont'd

|                                                                                                                                                                                                           |         |           |               |                           |                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-----------|---------------|---------------------------|---------------------|
| <b>Water Use Comparison -</b>                                                                                                                                                                             |         |           |               |                           |                     |
| Feb. 2, 2019                                                                                                                                                                                              |         |           |               |                           |                     |
| Table 4.16-2 of EIR (As Shown in EIR)                                                                                                                                                                     | Parcels | Water Use | Total GPY     | Acre-Feet/Year Calculated | Number Shown in EIR |
| AG, AE, FR Parcels 2 to 5 acres                                                                                                                                                                           | 6,836   | 24,594    | 168,124,584   | 515.95                    | 517                 |
| AG, AE, FR Parcels 5 to 10 acres **                                                                                                                                                                       | 8,228   | 112,969   | 929,508,932   | 2,852.55                  | 3105                |
| AG, AE, FR Parcels 10 to 20 acres                                                                                                                                                                         | 5,698   | 245,938   | 1,401,354,724 | 4,300.59                  | 4300                |
| AG, AE, FR Parcels over 20 acres                                                                                                                                                                          | 6,445   | 491,875   | 3,170,134,375 | 9,728.77                  | 9729                |
| Totals                                                                                                                                                                                                    | 27,207  |           | 5,669,122,615 | 17,398                    | 17,651              |
| ** Note: There is an error in the calculation in Table 3-16-2 for the total water use in the AG Zone for parcels between 5 and 10 acres. The calculated number is 2,636 acre feet and not the 2,870 shown |         |           |               |                           |                     |
| <b>As Recalculated Using 1/3 Water Use for Mixed Light and Indoor Portions - 3 Grow Cycles per Yaer</b>                                                                                                   |         |           |               |                           |                     |
| Table 4.16-2 of EIR (Revised with New Water Use Figures)                                                                                                                                                  | Parcels | Water Use | Total GPY     | Acre-Feet/Year Calculated | Number Shown in EIR |
| All Parcels in AG, AE & FR zones                                                                                                                                                                          |         |           |               |                           |                     |
| AG, AE, FR Parcels 2 to 5 acres                                                                                                                                                                           | 6,836   | 5,400     | 36,914,400    | 113                       | 517                 |
| AG, AE, FR Parcels 5 to 10 acres **                                                                                                                                                                       | 8,228   | 27,000    | 222,156,000   | 682                       | 3105                |
| AG, AE, FR Parcels 10 to 20 acres                                                                                                                                                                         | 5,698   | 54,000    | 307,692,000   | 944                       | 4300                |
| AG, AE, FR Parcels over 20 acres                                                                                                                                                                          | 6,445   | 108,000   | 696,060,000   | 2,136                     | 9729                |
| Totals                                                                                                                                                                                                    | 27,207  |           | 1,262,822,400 | 3,875                     | 17,651              |
| <b>As Recalculated Using 1/2 Water Use for Mixed Light and Indoor Portions - 3 Grow Cycles per Yaer</b>                                                                                                   |         |           |               |                           |                     |
| Table 4.16-2 of EIR (Revised with New Water Use Figures)                                                                                                                                                  | Parcels | Water Use | Total GPY     | Acre-Feet/Year Calculated | Number Shown in EIR |
| All Parcels in AG, AE & FR zones                                                                                                                                                                          |         |           |               |                           |                     |
| AG, AE, FR Parcels 2 to 5 acres                                                                                                                                                                           | 6,836   | 5,400     | 36,914,400    | 113                       | 517                 |
| AG, AE, FR Parcels 5 to 10 acres **                                                                                                                                                                       | 8,228   | 36,000    | 296,208,000   | 909                       | 3105                |
| AG, AE, FR Parcels 10 to 20 acres                                                                                                                                                                         | 5,698   | 72,000    | 410,256,000   | 1,259                     | 4300                |
| AG, AE, FR Parcels over 20 acres                                                                                                                                                                          | 6,445   | 144,000   | 928,080,000   | 2,848                     | 9729                |
| Totals                                                                                                                                                                                                    | 27,207  |           | 1,671,458,400 | 5,130                     | 17,651              |
| <b>Parcels with Residences</b>                                                                                                                                                                            |         |           |               |                           |                     |
| Community Development Data - As Provided in May 2018 Resulting in Reduction in Parcels                                                                                                                    | Parcels | Water Use | Total GPY     | Acre-Feet/Year Calculated |                     |
| Parcels with Residences Only                                                                                                                                                                              |         |           |               | 325,851.43                |                     |
| AG, AE, FR Parcels 2 to 5 acres                                                                                                                                                                           | 3,211   | 5,400     | 17,339,400    | 53                        |                     |
| AG, AE, FR Parcels 5 to 10 acres                                                                                                                                                                          | 4,097   | 27,000    | 110,619,000   | 339                       |                     |
| AG, AE, FR Parcels 10 to 20 acres                                                                                                                                                                         | 2,514   | 54,000    | 135,756,000   | 417                       |                     |
| AG, AE, FR Parcels over 20 acres                                                                                                                                                                          | 2,843   | 108,000   | 307,044,000   | 942                       |                     |
| Totals                                                                                                                                                                                                    | 12,665  |           | 570,758,400   | 1,752                     |                     |
| (1 acre foot = 325,851.427 gallons)                                                                                                                                                                       |         |           |               |                           |                     |

The calculations above represent water use calculations for four different scenarios. The first set of calculations reflect the amount of water use for 27,207 parcels shown in Table 4.16-2 of the EIR with total water use shown at 17,651 acre feet. The next table includes the same number of parcels but with water use adjusted where the outdoor, mixed-light and indoor water uses are separated and the indoor and mixed-light facilities use 1/3 the water of a comparable outdoor facility and produces cannabis three time a year. The total water use for this scenario is 3,875 acre feet per year or roughly 22% of the water use shown in the EIR. The third table shows a similar water use as the second table

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cont'd

except water use has been increased for the mixed-light and indoor grows to ½ the water use of a comparable sized outdoor cultivation site. The total water use for this scenario which also included 27,027 parcels is 5,130 acre feet or roughly 29% of the water use shown in the EIR. The fourth table is The Parcels with Residences Table shows the water use for just the parcels with residences and uses the same water use per parcel as scenario two described above. The number of parcels in this scenario totaled 12,665 and the water use total 1,752 acre feet or about 10% of the water use for the project as described in the EIR. The following Table shows water use in the RA-Rural zones and includes a summary at the end where the total water use for the AG, AE, & FR zones is added to the RA-Rural zone.

| <b>Water Use Comparison - RA-Rural Zone</b>                                                                |         |              |               |                |              |
|------------------------------------------------------------------------------------------------------------|---------|--------------|---------------|----------------|--------------|
| Water Use as Calculated in EIR                                                                             |         |              |               |                |              |
| Total RA-Rural Zoned Properties                                                                            | Parcels | Water Use    | Total GPY     | Acre-Feet/Year |              |
| RA-Rural Parcels 2 to 5 acres                                                                              | 2,278   | 24,594       | 56,025,132    | 172            |              |
| RA-Rural Parcels 5 to 10 acres                                                                             | 2,686   | 112,969      | 303,434,734   | 931            |              |
| RA-Rural Parcels 10 to 20 acres *                                                                          | 336     | 245,938      | 82,635,168    | 254            |              |
| RA-Rural Parcels over 20 acres *                                                                           | 393     | 491,875      | 193,306,875   | 593            |              |
| Totals:                                                                                                    | 5,693   |              | 635,401,909   | 1,950          |              |
| Water Use as Calculated in EIR                                                                             |         |              |               |                |              |
| Total RA-Rural Zoned Properties                                                                            | Parcels | Water Use    | Total GPY     | Acre-Feet/Year |              |
| RA-Rural Parcels 2 to 5 acres                                                                              | 2,278   | 5,400        | 12,301,200    | 38             |              |
| RA-Rural Parcels 5 to 10 acres                                                                             | 2,686   | 27,000       | 72,522,000    | 223            |              |
| RA-Rural Parcels 10 to 20 acres *                                                                          | 336     | 54,000       | 18,144,000    | 56             |              |
| RA-Rural Parcels over 20 acres *                                                                           | 393     | 108,000      | 42,444,000    | 130            |              |
| Totals:                                                                                                    | 5,693   |              | 145,411,200   | 446            |              |
| <b>RA-Rural zone Outdoor Cultivation - Parcels with Residences: Includes Mixed-Light and Indoor at 1/3</b> |         |              |               |                |              |
| RA-Rural Zoned Parcels Community Development Data May 2018                                                 | Parcels | Water Use    | Total GPY     | Acre-Feet/Year |              |
| Parcels with Residences Only                                                                               |         |              |               | Calculated     |              |
| RA-Rural Parcels 2 to 5 acres                                                                              | 1,010   | 5,400        | 5,454,000     | 16.74          |              |
| RA-Rural Parcels 5 to 10 acres                                                                             | 1,191   | 27,000       | 32,157,000    | 98.69          |              |
| RA-Rural Parcels 10 to 20 acres *                                                                          | 215     | 54,000       | 11,610,000    | 35.63          |              |
| RA-Rural Parcels over 20 acres *                                                                           | 108     | 108,000      | 11,664,000    | 35.80          |              |
| Totals                                                                                                     | 2,524   |              | 60,885,000    | 187            |              |
| Summary Table: All Parcels in AG,AE,FR & RA-Rural                                                          | Parcels | Water Use    | Total GPY     | Acre-Feet/Year | Number       |
|                                                                                                            |         | Avg. Gallons |               | Calculated     | Shown in EIR |
|                                                                                                            |         | Per Parcel   |               |                | in Acre Feet |
| AG,AE and FR Revised Water Use                                                                             | 27,207  | 46,415       | 1,262,822,400 | 3,875          |              |
| RA-Rural Revised Water Use                                                                                 | 5,693   | 25,542       | 145,411,200   | 1,950          |              |
| Total Project Water Use - All Parcels                                                                      | 32,900  | 42,803       | 1,408,233,600 | 5,825          | 17,651       |
| Summary Table: Parcels with Residences                                                                     |         |              |               |                |              |
| AG,AE and FR Revised Water Use                                                                             | 12,665  | 45,066       | 570,758,400   | 1,752          |              |
| RA-Rural Revised Water Use                                                                                 | 2,524   | 24,122       | 60,885,000    | 187            |              |
| Total Project Water Use - Parcels with Residences                                                          | 15,189  | 69,188       | 631,643,400   | 1,938          | 17,651       |

O-130  
cont'd

|                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |  |  |  |  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--|--|--|--|
| <b>Notes:</b>                                                                                                                                                                                                                                                                                                                                                                                                                         |  |  |  |  |  |
| 1. The Community Development Data from May 2018 Shows 323 Parcels, 10 Acres or More. For this evaluation it was Assumed that 46.92% of the Parcels Over 10 Acres were Between 10 and 20 Acres (150 Parcels) and the remaining 53.08% of the Parcels (173 Parcels) were Greater than 20 Acres. These were the Figures Used in Determining the Ratio Between These Two Parcel Size Groupings for AG, AE and FR zoned Parcels in the EIR |  |  |  |  |  |
| 2. Only RA-Rural Parcels Were Included, Since the Land Use Description for this Zoning most Closely Resembles the AG zone. There are many existing cultivation sites in the RA-Rural zone that if allowed a permit process would reduce the number of unregulated cultivation sites.                                                                                                                                                  |  |  |  |  |  |
| 3. RA-Residential and RA-Estate Parcels are Generally Closer to Urban Centers and are more Residential in Character than RA-Rural Properties.                                                                                                                                                                                                                                                                                         |  |  |  |  |  |
| * Parcels were shown only at 10 acres or more in information available and were split into the 10 - 20 acre and 20 acre and more by using the same ratio used for the AG, AE and FR parcels                                                                                                                                                                                                                                           |  |  |  |  |  |

O-130  
cont'd

The total calculated water use for the project which would total 32,900 parcels which includes the RA-Rural zoned parcels would equal 5,825 acre feet for all parcels in the AG, AE, FR and RA-Rural zones, which is about 33% of the water use shown in the EIR. When just the parcels with residences which total 15,189 in the AG, AE, FR and RA-Rural zones are included, the total project water use would equal 1,938 acre feet or about 10.1% of the water use shown in the EIR.

#### Calculation Notes:

1. Calculating total water use requires the data in the Community Development chart is adjusted for sites over 10 acres. Assuming the ration between the 10 acre sites and 20 acre sites in Table 4.16-2 is accurate (5,698 sites are 10 to 20 acres and there are a total of 12,143 sites over 10 acres which indicates 46.92% of the sites over 10 acres are between 10 and 20 acres) Using this ratio and applying this number to the Community Development data, 5,358 sites are over 10 acres and by multiplying the 46.92% to this number there would be 2,514 sites between 10 and 20 acres and the remaining sites would be 20 acres or larger which would total (5,358 – 2,514) 2,843 sites.

O-131

2. There is an error in the water use calculations shown on Table 3.16-2 in the AG zone for sites between 5 and 10 acres. This error adds to the overstatement of water use by 234 acre feet for the project which equals about 76.25 million additional gallons of water.

O-132

3. The RA-Rural zoned parcels are included for evaluation.

4. The water calculations assume 100% of the parcels were to cultivate at the maximum canopy allowed and the outdoor cultivation would have one 150 to 180 season and that the mixed light and indoor cultivation sites would have three complete growing cycles per year.

O-133

5. The baseline calculation use 6.0 gallons per plant for outdoor cultivation, which as discussed earlier is much higher than the accepted industry water use.

O-134

#### Other Water Use Considerations:

It appears completely unreasonable to assume that every parcel zoned AG, AE or FR will have a commercial cannabis operation at any time in the future. Given that 50 years has elapsed since the first cannabis cultivation appeared in Nevada County and that there are currently about 3,500 cultivation sites, equates to 70 new cannabis sites per year. If there are 27,207 sites which can support commercial cannabis, and assuming the same growth rate which has been experienced in the past, it will take 388 years to fully build out all of the sites identified in this EIR. Additionally, not all sites may meet the requirements for commercial cultivation. There are property line setbacks, setbacks from schools and other special use sites, lots are required to have houses and may be prevented from building houses due to access or soils problems. The high cost of construction for cannabis facilities as well as the cost of additional residences along with water or other utilities availability may also be an issue. Further, not every property owner wants to grow cannabis.

O-134  
cont'd

*Page 4.8-35, Page 4.8-36 and Page 4.8-37*

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be **required to register** with the enforcing officer, and through an administrative action, obtain proof of registration.*

O-135

*The requirement for registration personal use has been deleted*

*Page 4.8-37*

*As part of the CCP, ADP, and ACP process, the sites proposed for use for commercial or non-remuneration cultivation would be required to provide proof of compliance with all federal, State, and local laws and regulations related to protection of water quality **potential for creating a risk of flowing**.*

O-136

*What is meant by "potential for creating a risk of flowing"?"*

*Additionally, as discussed above, **if the application for a grading permit would result in ground disturbance greater than one acre it would trigger compliance with the applicable RWQCB General Permit.***

O-137

The State Water Board has regulations in place which require cultivators with a disturbed area of over 2,000 square feet to enroll in the States General Order and places additional requirements on cannabis cultivators relating to stream / water course setbacks and steepness of slopes on the cannabis cultivation site. All applicants shall submit for permits, pay fees, provide site plans and prepare at a minimum a site management plan for their cultivation site. Steeper sloped site (over 30% and sites encroaching into setbacks have numerous additional requirements that must be complied with to obtain coverage under the State Water Board General Order.

*New development associated with the proposed project would require the construction of adequately sized storm drainage facilities that would connect to existing storm drainage systems.*

O-138

Not all cannabis related development has the ability to connect to an existing storm drain system. In rural areas drainage from graded areas is collected in a “V” ditch which is generally located at the top and toe of slopes, which is directed to a rock dissipater, where the flows are conveyed back to natural ground.

*Page 4.8-38*

*As discussed above, if a cultivation project under either a CCP or an ADP reached the threshold of disturbance greater than one acre, the project would be required to comply with the RWQCB statewide General Order WQ 2017-0023-DWQ which applies to all cannabis cultivation activities in the state.*

O-139

The State Water Board has regulations in place which require cultivators with a disturbed area of over 2,000 square feet to enroll in the Sates General Order and places additional requirements on cannabis cultivators relating to stream / water course setbacks and steepness of sloes on the cannabis cultivation site. All applicants shall submit for permits, pay fees, provide site plans and prepare at a minimum a site management plan for their cultivation site. Steeper sloped site (over 30% and sites encroaching into setbacks have numerous additional requirements that must be complied with to obtain coverage under the State Water Board General Order.

*Page 4.8-40*

*An ACP also would be required and need to be renewed annually and would verify continued compliance year over year. If new structures are proposed and violations would occur, the permit could be denied.*

O-140

The wording in this sentence is not very clear. Does this mean that if new structures are proposed in floodplain that the project could be denied? What violations are being referenced?

## **Section 4.9 Land Use**

*Page 4.9-2*

*The MAUCRSA also addressed transportation and delivery of cannabis products; placed specific requirements on testing and testing procedures; repealed the residency requirement; gave expanded to cities full power and authority to enforce the MAUCRSA; authorized the denial...*

O-141

Should read: gave expanded power to cities with full power

Figure 4.9-1

The map does not show a label for Kern County

Page 4.9-5

The County general plan policies and zoning ordinances, as they relate to the proposed project, are summarized below further below.

Should read are summarized further below

Page 4.9-6

Goal 1.1 Promote and encourage growth in Community Regions while limiting growth in Rural Regions.

Policy 1.3.1 Provide for a land use pattern compatible with preservation of character, environmental values and constraints, and the form and orderly development of Rural Places.

The Goal reads limiting growth and the Policy reads allowing orderly development

Page 4.9-10

Policy 1.7.11 Notwithstanding other policies, the County shall provide for development on an existing legally established lot which does not conform to the minimum parcel size of the General Plan land use designation and implementing zoning district provided that all other current development standards are met.

Does this Policy allow for development private sewer and water system for homes on lots smaller than 3 acres?

Page 4.9-11

Chapter 2 of the Nevada County General Plan is the Economic Development Element. This element is focused on the growth of the economy and development within the County. This chapter recognizes that the County's ability to support its future population in terms of availability of jobs and provision of services is dependent upon the type and extent of economic growth. Increased employment opportunities and a greater fiscal base to provide needed services are both important considerations. The cultivation of cannabis has the potential to contribute to these factors and the following goals and objectives from that Chapter are pertinent to the proposed project.

This statement is worded in a confusing manner. It appears the intent of the statement would suggest that commercial cannabis cultivation may provide a positive economic benefit to the county and the language should be amended to clarify that a potential

O-142

O-143

O-144

O-145

O-146

positive economic benefit may be realized as a result of legal commercial cannabis cultivation.

O-146  
cont'd

Page 4.9-12

Chapter 6 of the Nevada County General Plan is the Open Space Element. This element serves a variety of purposes and use as a focal point of the community in the form or preserving open space and in the form of local and regional parks and significant features in the area.

O-147

Should read: form of preserving open space

Page 4.9-18

**Forest (FR) zone** - The FR District provides areas for the protection, production and management of timber, timber support uses, including but not limited to equipment storage and temporary offices low-intensity recreational uses, and open space.

O-148

Should read: And temporary offices, low-intensity

Page 4.9-19

In August of 2016, the City of Nevada City evaluated the potential for allowing a medical marijuana dispensary. On September 28, Council was presented with a draft ordinance that outlines a process for allowing one such dispensary within City Limits.

O-149

Should read: cannabis dispensary

On September 28 of what year?

The City of Grass Valley Development Code Chapter 17.20.035 pertains to cannabis related businesses within the City. More specifically, this section of Code prohibits of medical marijuana cooperatives. Accordingly, it states that defines medical marijuana as authorized in strict compliance with California Health and Safety Code §§ 11362.5, 11362.7 et seq., and defines a medical marijuana cooperative or collective as a collective, cooperative, dispensary, operator, establishment, provider, association or similar entity that cultivates, distributes, dispenses, stores, exchanges, processes, delivers, makes available, transmits and/or gives away marijuana in the

O-150

Should read: prohibits cannabis cooperatives. Accordingly, it states that medical cannabis...

Replace marijuana with the word cannabis

The word collective appears to be redundant in the term "collective as a collective"

Page 4.9-22

City of Truckee In response to the passage of Proposition 64 in the November 2016 state election the Town of Truckee Town Council held a series of workshops to discuss the Town's approach to **marijuana** regulations.

O-151

Should read: cannabis

Now, in addition to the allowances made by California law allowing **the possess, transport, obtain transfer of cannabis** to other adults 21 or older, and the cultivation up to 6 plants per residence and possess the cannabis produced by these plants; the Town of Truckee adopted updated land use regulations allowing commercial cannabis delivery services.

O-152

Should read: the possession, transport or transfer of cannabis

The **Higgins Area Plan** is located in the portion of southwest Nevada County.

O-153

Should read: Higgins Corner Area Plan (HCAP)

Page 4.9-23

The **Loma Rica Industrial Area Plan** is located within the unincorporated portion of Nevada County where land use is governed by the Nevada County General Plan and Zoning Regulations.

O-154

Should read: Loma Rica Industrial Area Plan (LRAP)

Page 4.9-25

All lands within the **North San Juan (NSJ) Area Plan** are located within the unincorporated territory of Nevada County where land use is governed by the County General Plan and Zoning Regulations. The area addressed by the North San Juan Area Plan is the 23-acre North San Juan Rural Center, which is the commercial center of a 480-acre historic townsite located in western Nevada County on State Highway 49, approximately 15 miles northwest of Nevada City. Land use within a Rural Center is intended to function in an interrelated development pattern that creates a visual identity reflecting the specific character of the rural region. **The NSJAP** encompasses approximately 23 acres and is located in the North San Juan Rural Center, which is the commercial center of the historic North San Juan townsite located in western Nevada County on SR-49. There are 37 separate parcels located within the **NSJA**. Zoning within the **NSJAP** are not suitable for commercial cannabis cultivation. The parcels zoned for medium density residential would be suitable for indoor personal cannabis cultivation. The **NSJAP** implements the following General Plan designations and corresponding zoning:

O-155

*Several different designations are being used for the North San Juan Area Plan.*

Page 4.9-26

*The Soda Springs Area Plan (SSAP) serves as the comprehensive land use and zoning plan for the Donner Summit region and community of Soda Spring and embodies the expressed goals of residents, business owners, and elected officials and establishes concrete and achievable actions. The primary goal of the PVAP is to provide a blueprint for the ultimate development of the area derived from an assessment of current land use issues and potential solutions drawn from collaborative discussions and a careful analysis of what is needed to preserve and improve the functionality of the area. The SSAP encompasses approximately 148 acres within the Soda Springs Rural Center located on historic Donner Pass Road and includes 271 separate parcels. **Only the FR/FOR zoning would allow cultivation of commercial cannabis.** The SSAP implements the following General Plan designations and corresponding zoning:*

*Should read: FR zone as there is no FOR zone in the county*

Page 4.9-27

*Policy LU-3.7: **Water Conservation Size Soda Springs' developments to existing water sources and recognize the challenging climate on Donner Summit** and the impact of climate change on the region's landscape and resources. Incorporate water conservation components into the design, construction, and operation of new construction and major renovations.*

*The statement "Water Conservation Size Soda Springs developments... makes no sense and should be clarified or rewritten*

Page 4.9-31

**IMPACT 4.9-1: PHYSICALLY DIVIDE AN ESTABLISHED COMMUNITY.**

*The project proposes to be consistent with state law and to enable a structured and logical management procedure for the cultivation of cannabis within all unincorporated areas within the County. The proposed project would address cultivation for personal use, for the approximate 3,500 sites currently under cannabis cultivation, as well as for new commercial cultivation expected after adoption of the proposed NCCO.*

*The proposed project relates to a new ordinance in Nevada County relating to commercial cultivation of cannabis on parcels which are zoned AG, AE or FR. The 3,500 existing cannabis sites are included in the baseline condition as mentioned earlier in the EIR. The 6 plant personal use exemption was passed by the voters in the state, without any environmental documentation and is also considered as part of the baseline of the project. The impacts of personal cultivation of 6 plants would occur regardless of the*

O-155  
cont'd

O-156

O-157

O-158

proposed project and the 3,500 existing cultivation sites have already impacted the environment and a portion of these sites may be converted to legal cultivations under the proposed ordinance. Many existing sites will not convert to licensed facilities and some may even continue to operate unregulated. Other existing cultivation sites may cease cultivation and leave structures standing until they fall over or may not otherwise mitigate the impacts of past cultivation activities.

O-158  
cont'd

*All cultivation would be required to conform to the requirements of the proposed NCCO as well as all performance standards when applicable for some projects under an ADP and mitigation measures included to this Draft EIR.*

Should read: for projects under a CCP or an ADP process

Mitigation measures outlined in the EIR would be incorporated in the proposed cannabis ordinance. Separate and individual mitigation measures identified in the EIR have not been detailed or specific and suggesting that applicants read these 701 pages to find all of the mitigation measures or proposed recommendations will be a non-starter for most. A summary table of proposed mitigation measures would be very useful.

O-159

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, would require registration with the enforcing officer through an administrative action. The cultivation activities of six plants for personal use in R1, R2, R3, or RA zones would be limited to indoor cultivation and would not result in a physical division of any established community.*

O-160

The requirement for registration for 6 plants has been deleted.

Parcels over 5 acres in the RA-Rural and RA-Estate zoned lots are allowed to cultivate 6 plants outdoors

*Personal use cultivation would be contained to existing parcels, would be limited by the proposed NCCO and state law to a maximum of six plants.*

O-161

Should read: limited to existing parcels and the proposed NCCO as well as state law

*For parcels less than 2-acres, commercial cannabis cultivation is not allowed.*

O-162

Should read: In the AG, AE and FR zones parcels less than 2 acres...

Page 4.9-32

Lastly, on parcels greater than 20 acres, indoors, mixed-light, and outdoors, or a combination of said methods with up to of 10,000 sf of canopy (equates to a maximum of 1.1% of area if the parcel is only y20 acres) of canopy would be allowed.

O-163

Should read: only 20 acres

*Common structures and equipment may include machinery, accessory structures, greenhouses, nurseries, hoop houses, ponds, sheds, barns, fencing, planting areas, and screening vegetation. As discussed above, these features*

Hoop houses are not permitted for commercial cannabis cultivation for mixed-light but may be utilized to protect immature plants which are located outside of the licensed canopy area and in outdoor cultivation

*The proposed project meets these objectives which are in place, in part, to reduce proposed project effects on communities. The proposed NCCO also includes setbacks, requirements for visual screening such as the use of fencing or vegetative screens to disallow views of cultivation areas from public views, a...*

The need for screening fences was discussed by the Board of Supervisors and it was determined that many of the solid screen fencing utilized to block the view of cannabis cultivation was far more unsightly than the cultivation itself and eliminated the visual screening fence requirement. Security fencing is still required.

Page 4.9-33

*This section, as well as all other sections of the Draft EIR include a listing of applicable General Plan goals, policies, and objectives as they apply to this proposed project. Because some are not applicable, such as those pertaining to new residential developments, or design standards for commercial sites, they have not been included to the respective Sections*

Should read: they have not been included in the respective Sections

*Applicants future applicant wishing to permit an existing or new cultivation for personal use or for a commercial cannabis cultivation operation under the proposed NCCO would be required to conform to all applicant requirements listed in the NCCP as well as the County General Plan.*

Should read: Future applicants wishing

The NCCP should read the NCCO

*Cannabis cultivation of all sizes on parcel two acres or greater whether for commercial or non-remuneration would require processing of a CCP for cannabis cultivation less than 2,500 sf or an ADP for cultivation between 2,500 sf and 10,000 sf.*

Parcels between 2 acres and 5 acres could only obtain permits for indoor cultivation for 500 square feet, as mixed-light and outdoor cultivation is prohibited for these lot sizes.

O-163  
cont'd

O-164

O-165

O-166

O-167

O-168

*Future existing as well as proposed* cannabis cultivation projects, however, could result in conflicts resulting in impacts through potential inconsistencies with the General Plan primarily in relation to public services, as well as numerous policies focused on natural resource protection, water quality, vegetation, hillside protection, and visual resources.

O-169

Should read: Existing as well as proposed cannabis cultivation

*If placement of project-related buildings or support facilities such as (e.g., cultivation accessory and support facilities, such as outbuildings and warehouses; new service roads and parking areas) and other public utilities and infrastructure connections (e.g., irrigation systems, water lines and tanks) that may be installed to support these activities, would result in physical*

O-170

This should probably be changed to “could” and not be left as “would”

Page 4.9-34

*Impacts to associated with* specific resource areas are discussed in Sections 4.1: Aesthetics through 4.17: Utilities and Service Systems.

O-171

Should read: Impacts associated with

*The proposed NCCP would not authorize cultivation on any public land, or land in an incorporated city, so direct impacts in these areas would not occur.*

O-172

Should read: proposed NCCO

*The proposed project would create allow* a new and sustainable economic base, could be considered to add to the social fabric when performed responsible, and if performed in accordance

O-173

Should read: proposed project could create a new

The PVAP *implements the following* General Plan designations and corresponding zoning. Therefore,

O-174

There is no following zoning information in the EIR. Maybe this should read: The PVAP has implemented General Plan designations and corresponding zoning.

Page 4.9-35

*As discussed above, the purpose of Chapter 17.20.035 of the Grass Valley Municipal Code is to preclude the opening, establishment and operation of Medical Marijuana Cooperatives and Collectives in the City (Grass Valley, 2018. The city of Grass Valley is surrounded by a SOI that designates the future potential annexation areas for the City.*

O-175

Should read: Medical Cannabis and the word “city” should be “City”

O-175  
cont'd

Page 4.9-36

As discussed above, in addition to the allowances provided for by Proposition 64, the Town of Truckee f allows commercial cannabis delivery services after obtaining a proper license in accordance with MAUCRSA requirements (Truckee, 2018).

O-176

Should read: Truckee allows

Within the western SOI, there are approximately other areas within an Area of Concern, areas within the Long-Term Sphere; and areas within the near-term sphere that are zoned by the County as AG and FR.

O-177

Should read: there are other areas

While this may result in the exclusion of some parcels should then be under cannabis cultivation, it may not exclude all parcels. Ultimately, cannabis cultivation within the Truckee SOI may lead to future land use conflicts resulting in a significant impact to the environment.

O-178

Should read: should they be under cannabis cultivation

## Section 4.10 Mineral Resources

Page 4.10-1

This section describes the environmental conditions within the proposed project area related to mineral resources and evaluates the potential impacts associated with loss of availability of those that could result from implementation of the proposed project.

O-179

Should read: availability of those resources that could result...

The history of mining in Nevada County largely centers on gold mines and goldmining that started in the California Gold Rush in 1848 prompting people to immigrate from all over the world around the world. Over the next few years the population boomed and by the mid-1950's there...

O-180

Should read immigrate from all over the world.

Locally, Nevada County had its fair share of gold mines and mining operations and both Nevada City and Grass Valley, two of the three major cities in Nevada County grew out of the gold mining business. This is exemplified by the early business districts and

O-181

Victorian neighborhoods of **Grass Valley and Nevada City** grew from this early mining; the...

O-181  
cont'd

Should read: Grass Valley and Nevada City which grew from...

Page 4.10-2

The Division of Mine Reclamation periodically publishes a list of mines regulated under **SMARA** that meet provisions set forth under California's Public Resources Code, Section 2717(b).

O-182

Define SMARA

Page 4.10-3

As of September 2018, there are eight mines listed on the AB 3098 list within the boundaries of Nevada County, two of which are located in the City of Truckee.

O-183

There are 17 mines listed in Table 4.10-1 and 5 of these mines are shown as active. The Empire Mine is not shown on the list.

As discussed above and shown in Table 4.10-1 above, Nevada County has a history gold mining and although the California Department of Conservation **does not show any as currently active**, there are numerous individuals with claims throughout the County.

O-184

Table 4.10-1 shows that there are 5 mines active

Pages 4.10-3 and 4.10-4

According to the *diggings.com*, within the County on public Bureau of Land Management (BLM) land there have been a **total of 8,381 mining claims**, of which **861 are active and 7,502 are closed**. While these claims are not within the jurisdiction of County lands, it does show the rich history and continued experience of gold mining in the County. Additionally, although the number of gold mines has been substantially reduced from the peak there is the potential for gold mining to resume. **In sum, there have been a total of approximately 2,335 mines** of varying types and intensities within the County.

O-185

If there were 8,381 claims and 861 are active, 7,502 closed how can there be approximately a total of 2,335 mines in the county?

Page 4.10-4

**DIVISION OF OIL, GAS, AND GEOTHERMAL RESOURCES**

O-186

*DOGGR is responsible for supervising the drilling, operation, maintenance, plugging, and abandonment of oil, gas, and geothermal wells.*

O-186  
cont'd

*Should read: Division of Oil, Gas and Geothermal Resources (DOGGR)*

*The Surface Mining and Reclamation Act of 1975 (SMARA, Public Resources Code, Sections 2710-2796) provides a comprehensive surface mining and reclamation policy...*

O-187

*Should read: Act of 1975 (SMARA),*

*Pages 4.10-7, 4.10-8 and 4-10-9*

*Each of these maps shown on these pages is very difficult to read and since they do not contain any of the highway system, it is difficult to obtain an orientation.*

O-188

*Pages 4.10-11 and 4.10-13*

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer and obtain proof of registration. Cultivation of six plants, either indoors or outdoors, for personal use would be similar in size to a small garden, would be approved through an administrative action, a...*

O-189

*The registration requirement for 6 plants has been deleted and there is no requirement to obtain an approval or administrative action for the cultivation of 6 plants for personal use.*

## **Section 4.11 Noise**

*Page 4.11-1*

*This section identifies and evaluates potential noise impacts that could arise from cannabis, cultivation, distribution, manufacturing, processing, testing, and retail sales activities and facilities permitted under the Nevada County Cannabis Ordinance.*

O-190

*The proposed ordinance only describes cannabis cultivation and distribution, manufacturing, processing (except for drying and trimming cannabis) and retail sales are not permitted in Nevada County.*

*Page 4.11-5*

*Residential areas are also considered noise sensitive, especially during the nighttime hours. Nearby noise-sensitive land uses generally consist of residential uses, commercial uses, and open space.*

O-191

This should also include schools, churches, libraries, hospitals and nursing homes

O-191  
cont'd

Page 4.11-6

## STATIONARY NOISE SOURCES

There is no section which describes Non-Stationary Noise Sources

O-192

To limit population exposure to physically and/or psychologically damaging as well as intrusive noise levels, the federal government, **the state of** California

Should read: State of California

Page 4.11-9

Table 4.11-4

O-193

Auditoriums, Concert Halls, Amphitheaters 45 – 50    50 – 55

Why are the higher range numbers for these and uses lower than residential, schools and hospitals which have a range of 45-55 or 55-60?

Page 4.11-13

Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, **would require registration** with the enforcing officer through an administrative action.

O-194

The registration requirement has been deleted

Page 4-11-14

Construction activities for a CCP would be similar to those of a building permit and **would not be required to conform** to the requirements of Section L-II 4.1.7 Noise of the Land Use and Development Code.

O-195

Why does a CCP not have to conform while an ADP does have to conform? It is the same land use and only varies by size. It is like saying a small house has different standards than a large house.

Noise generated from this type of construction is not anticipated to be substantial, would occur on sites **no less than two-acre**, and is not anticipated to cause a significant disruption to offsite areas.

O-196

Commercial Cultivation on lots between 2 and 5 acres are limited to 500 square feet indoors. Outdoor and Greenhouse cultivation is allowed on certain parcels 5 acres or larger.

O-196  
cont'd

Additionally, under a CCP cultivation would be limited to 2,500 sf of canopy and must be at least 100 feet from the property line. This would limit the distance that any grading, plowing, or terracing would occur from nearby uses and is anticipated to very short term in nature. Further any proposed accessory structures **would be limited to 625 sf** which is not anticipated

O-197

Establishment of the new cultivation sites under an ADP, which would allow for commercial cannabis cultivation with 2,500 sf to 10,000 sf of canopy, **and 2,500 sf of accessory structures** square feet (sf).

625 square feet or 25% is not adequate for 2,500 sf licensed site nor is 2,500 sf for a 10,000 sf licensed site for all of the ancillary structures. Considering the drying area, trimming / processing, secure storage, pesticide and hazardous materials storage, generator enclosure, covered soils storage and the immature plant area which is located outside of the licensed canopy areas, more than 25% of the licensed cultivation would be required for commercial operations. See complete comments for the area needed outside the canopy on Page 4.8-31.

O-198

Construction noise for an ADP would not be exempt from the County Noise Ordinance, Section L-II4.1.7 Noise of the Land Use and Development Code.

O-199

Why is construction noise not exempt for an ADP while the same noise is exempt for a CCP?

Page 4.11-15

For a single point source such as a piece of mechanical equipment, the sound level normally decreases by **approximately 6 dBA for each doubling of distance** from the source under "hard-surface" conditions typical of a developed commercial site. The proposed NCCO includes the following cultivation restriction:

O-200

Does this mean a reduction in 6 dBA for the first foot measured from the source and another 6 dBA the next 2 feet and then another 6 dBA the next 4' etc.? Please provide an example of the decibel reduction which could be expected at 100' from the noise source.

Future outdoor cultivation of cannabis plants **would include** the use of farming equipment, including tractors, and a number of miscellaneous noise emitting equipment.

O-201

Most cannabis cultivators do not use tractors to cultivate cannabis. Typically cannabis grown outdoors in either raised beds or large pots. Soil is generally imported by truck and placed in a stockpile where it is then transported to the growing area and transferred to the planting beds or pots by using hand equipment.

O-201  
cont'd

*As mentioned above, these facilities would be allowed in agricultural, **Timber Production Zones**, and Forest zones only and are not anticipated to be within close proximity to sensitive receptors. As such, potential impacts are considered less than significant.*

O-202

Commercial cannabis cultivation is not allowed in the Timber Production Zone

Page 4.11-18

*Although CCPs would be exempt from conformance with the listed noise standards, generators used for projects under ADPs, would be required to comply.*

O-203

Both CCPs and ADPs should be held to the same standards.

*Outdoor cannabis cultivation involves common agricultural practices, including tilling soil, sowing seeds, irrigating soil, and harvesting mature plants.*

Most cannabis cultivators do not use tractors to cultivate cannabis. Typically cannabis grown outdoors in either raised beds or large pots. Soil is generally imported by truck and placed in a stockpile where it is then transported to the growing area and transferred to the planting beds or pots by using hand equipment.

O-204

Soil is generally not tilled and seeds if used are cultivated carefully in small pots in a controlled environment until they reach an adequate size where they are then panted outdoors.

*As such, the proposed project may also result in increased noise levels associated with the additional vehicle trips and congestion from cultivation and distribution activities, but only for relatively short periods, particularly during harvesting and transport of cannabis products.*

Cannabis distribution requires a separate type of license which is not allowed in Nevada County. Transportation of cannabis from the cultivation site may only be performed by licensed distributors. Onsite, cannabis can be moved between the cultivation site and the onsite processing if the processing area is shown on the approved cultivation plan. Whether a self-transport license is required to transport cannabis onsite between the licensed cultivation area and the approved processing area shown on the cultivation plan is unclear. Different sources report that a self-transport license is required for onsite activity while other sources report that this license is not required. Holders of multiple license types ie Outdoor and Mixed Light on the same property may consider that a self-

O-205

transport license is necessary because of the separation requirements of drying, processing and secure storage which are specified in the state regulations.

O-205  
cont'd

Page 4.11-19

*The proposed project includes features that would ensure any noise generated by cannabis activities would not adversely affect sensitive receptors by requiring setbacks of 100 feet from the property line and 1,000 feet from sensitive sites, including schools providing instruction in kindergarten or any grades 1 through 12, day care centers, and youth centers.*

There is some confusion as to the setback requirements as there is a 1,000 foot setback for Special Sites and there is a 600 foot setback from schools and other areas where children congregate as specified in Proposition 64. Further confusion is added when reading the language in State Proposition 64 (See Below), where cannabis can be cultivated or sold beyond 600 feet from a school but cannot be consumed with a 1,000 feet of a school.

The text of Proposition 64 reads:

O-206

## SECTION 2. FINDINGS AND DECLARATIONS.

D. Currently, children under the age of 18 can just as easily purchase marijuana on the black market as adults can. By legalizing marijuana, the Adult Use of Marijuana Act will incapacitate the black market, and move marijuana purchases into a legal structure with strict safeguards against children accessing it. The Adult Use of Marijuana Act prohibits the sale of nonmedical marijuana to those under 21 years old, and provides new resources to educate youth against drug abuse and train local law enforcement to enforce the new law. It bars marijuana businesses from being located within 600 feet of schools and other areas where children congregate.

11362.3. (Prohibits)

(3) Smoke marijuana or marijuana products within 1,000 feet of a school, day care center, or youth center while children are present at such a school, day care center, or youth center, except in or upon the grounds of a private residence or in accordance with Section 26200 of the Business and Professions Code or Chapter 3.5 of Division 8 of the Business and Professions Code and only if such smoking is not detectable by others on the grounds of such a school, day care center, or youth center while children are present.

Page 4.11-20

O-207

*Aircraft operations at the Nevada County airport would consist of relatively infrequent flights by small general aviation propeller aircraft. Occasional corporate jet aircraft operations may occur at the airport throughout the, but this would be infrequent, and noise would be temporary.*

O-207  
cont'd

Should read: airport throughout the year,

Page 4.11-21

*Similar to Impact 4.11-5, future cannabis-related activities could occur in the vicinity of a private airstrip, thus exposing workers to noise levels associated with an airstrip.*

*Typically zone districts near airstrips are generally related to agriculture, industrial, and commercial zones.*

O-208

Should read: Typically zoning districts near airports

*Future cannabis-related facilities would comply with federal, State, and local laws, regulations, and policies, thus reducing potential impacts.*

O-209

There is no federal law or regulations allowing for cannabis cultivation

## Section 4.12 Population and Housing

Page 4.12-1

*Sources of information and data provided in this section include, but are not limited to, the Nevada County General Plan and associated elements, and demographic information from the California Department of Finance (DOF),*

O-210

Should read: California Department of Finance (CDOF)

*CDOF estimated that by 2020 the population would be 99,548 which also is a growth rate of approximately 0.04%. Table 4.12-1: Nevada County Projected Population through 2060, provides the CDOF population growth estimates in increments of ten years for the next four decades. By 2060, CDOF estimates the population of Nevada County will increase to 123,265 or approximately 23%.*

A growth rate of 0.04% is only 40 people considering a population of 100,000. Adding 40 people per year between 2018 and 2060 would equal something like  $40 \times 42 = 1,680$  people which does not come close to the 123,265 population number.

O-211

If the number was 0.4% growth the population increase would be about 400 per year which would equal about 16,800 people added to the population which would bring the total to 116,800 which is still less than 123,265 projected for the year 2060. Granted

each year the population grows by 400 and the 0.4% growth would be calculated on the new population figure, but it is still difficult to believe a 23.3% increase in population considering that in some recent years the population in the county has been virtually flat or has declined.

O-212  
cont'd

*Household characteristics are important indicators of the type and size of housing needed in a community. The number of persons per household in Nevada County in 2018 was 2.35 (DOF, 2018b).*

O-213

Given that the persons per household is 2.35, an increase of population by 23,265 in the year 2060 using the figures above would indicate  $23,265 / 2.35 = 9,900$  new housing units would be required to meet the needs of the growing population.

Page 4.12-3

Table 4.12-3

Civilian employed population 16 years and over in the Unincorporated Area should read 100% not -15,504

O-214

Page 4.12-3 and 4.12-4

*The County has an estimated 3,500 cannabis cultivation sites occurring on parcels throughout the unincorporated areas. The proposed project does not include a provision for any dispensaries or other employment generating uses other than cultivation. It is unknown how many people are currently employed in the county in the existing cannabis industry. With the existing estimate of 3,500 cultivation operations it can be safely estimated that at least 3,500 full time or part time jobs are generated from existing cultivation.*

See comments below for Page 4.12-7, for a complete discussion and calculations related to the proposed projects impacts relating to projected Employee Demand, Housing, Population Growth for commercial cannabis production on 27,207 parcels in Nevada County on AG, AE and FR zoned parcels as well as RA-Rural parcels.

O-215

The ERA study which was used by the State of California for preparing the EIR for the statewide cannabis program in 2016 / 2017 found that there were about 68,000 cultivation sites in California and that combined, these sites produced about 13.5 million pounds of cannabis. This was far in excess of the demand for cannabis California which was about 2.0 million pounds for the age group of 12 and older according to data compiled by the National Survey on Drug Abuse in 2017. This meant that about 11.5 million pounds was exported to other states. The 68,000 cannabis cultivation sites produced on average 198 pounds per site, which would generally be manageable by a single person. Since outdoor cannabis yields about 47.8 grams per square foot, the

average garden size would be (47.8 grams/sf / 453.59 grams/pound = 0.1054 pounds/sf)  
198 pounds/per site / 0.1054 pounds/sf = 1,878 square feet per cultivation site.

Commercial cannabis licensing for outdoors would be limited to 2,500 sf, 5,000 sf and 10,000 licenses. Mixed light greenhouses have the same square footage limits but will generate at least 3 and possibly more harvests per year. While a single person may be able to handle a 2,500 outdoor site during most of the year, harvesting, drying and trimming are going to generally require more labor. A 5,000 square foot site may require more than one person at least part of the year and during the harvesting, drying and trimming stage additional personnel would be utilized. A 10,000 square outdoor operation would most likely require more than one person and during the harvest, drying and trimming phase several more people would be employed. When the operation is conducted in a mixed light environment the total labor force may double compared to an outdoor cultivation and since these are generally year round operations, a larger greenhouse working with a mixed light license may employ several people year round and add additional staff during trimming. There is no one size fits all for cannabis cultivation as the techniques, levels of automation, and experience of the grower as well as the needs of the plants will ultimately determine the correct labor requirements for a specific cultivation operation.

O-215  
cont'd

Table 4.12-4:

*Nevada County Households By Income Group is based upon the County's median income of \$57,382 and shows that approximately 44 percent of Nevada County's population has an income that is within the low or lesser income categories. Additional data from the 2010 Census indicates that approximately 11.6 percent of individuals of the County's population are living below the poverty level.*

O-216

|               |              |          |       |
|---------------|--------------|----------|-------|
| Extremely Low | \$0-\$17,214 | 4,246(2) | 10.2% |
|---------------|--------------|----------|-------|

The tables shows 10.2% in the very low category while the text shows 11.6%

Page 4.12-5

Each city and county must update its general plan housing element on a regular basis. Among other things, including incorporating policies, the housing element must identify potential sites that could accommodate the city's share of the regional housing needs.

Should read: incorporating policies and the housing element and must identify

*This process was recently revised with the approval of Senate Bill (SB) 375, in 2008, which amended the RHNA schedule and methodology requiring due dates for local governments to update their housing elements no later than 18 months from the date*

O-217

that Nevada COG adopts the RTP, which occurred on June 19, 2014 (California Government Code Section 65584 et seq.).

O-217  
cont'd

Define: Nevada COG

The RHNA for January 1, 2019 through December 31, 2027, which was finalized on October 12, 2018 in a letter from the State of California Department of Housing and Community Development (CDHCD) to the County. The minimum regional housing need determination was 3,695 total units among four income categories (CDHCD, 2018)

What are the boundaries of the regional housing need and do these need extend outside of Nevada County?

O-218

By December 2027 which would be in about 8 years, the population of Nevada County would grow about 400 people per year which would equal about 3,200 new residents (not including the annual compounding) at given that the average household size as stated on page 4.12-2 of this EIR is 2.35 persons per household,  $(3,200 / 2.35 = 1,361$  housing units) Certainly a few housing units would be replaced due to loss, but the difference between a supply of 3,695 units compared to a demand of 1,361 units indicates an imbalance.

Page 4.12-6

Goal 2.1 Provide for a strong economic base while protecting and maintain communities and neighborhoods.

O-219

Should read: protecting and maintaining communities

Page 4.12-7

According to Appendix G of the CEQA Guidelines, the proposed project would have a significant aesthetic impact if it would:

O-220

Should read: significant impact

Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones. This cultivation would be limited to a total of six plants. Persons wishing to cultivate for personal use within the County may already do so under state law. The proposed project includes a registration process for personal use cannabis cultivation.

O-221

The registration requirement has been deleted

Under the proposed project there is no limitation on the number of AE, AG, or FR parcels that could be cultivated, however, 2-5 acre parcels could cultivate a maximum of 500 sf

O-222

**of cannabis**, 5-10 acre parcels could cultivate 2,500 sf of cannabis, 10-20 acre parcels could cultivate 5,000 sf of cannabis, and 20 acre parcels and greater could cultivate up to 10,000 sf of cannabis.

Should read: 2-5 acre parcels could cultivate a maximum of 500 sf of cannabis indoors,

Assuming 100 percent of the AE, AG, and FR parcels are cultivated, **based on the number of existing parcels and their acreage, a total of 116,928,000 sf or 4.2 square miles of cannabis cultivation could occur.**

The following Table represents the total amount of gross cannabis production, the project area and the total number employees required to staff the project full time. Additional detail is provided below the table and includes housing unit projections as well as total population growth as a result of the full project implementation.

| Gross Total Cannabis Yield at Full Buidout, Project Area and Total Employees |           |             |                |                    |               |              |            |                   |
|------------------------------------------------------------------------------|-----------|-------------|----------------|--------------------|---------------|--------------|------------|-------------------|
| Feb. 3, 2019                                                                 |           |             | Outdoor And    | Annual Grow Cycles |               |              | Average    | Total Gross       |
| Parcel Designation                                                           | Number of | Canopy in   | Indoor Yield   | Indoor             | Mixed-light   | Outdoor      | Pounds     | Production        |
| 100% Production                                                              | Parcels   | Square Feet | Grams per S.F. | 3 Grow Cycles      | 3 Grow Cycles | 1 Grow Cycle | per Parcel |                   |
| AG, AE, FR Parcels 2 to 5 acres                                              | 6,836     | 500         | 47.8           | 100%               |               |              | 158.07     | 1,080,582         |
| AG, AE, FR Parcels 5 to 10 acres                                             | 8,228     | 2,500       | 47.8           | 33.33%             | 33.33%        | 33.33%       | 614.66     | 5,057,456         |
| AG, AE, FR Parcels 10 to 20 acres                                            | 5,698     | 5,000       | 47.8           | 33.33%             | 33.33%        | 33.33%       | 1229.33    | 7,004,711         |
| AG, AE, FR Parcels over 20 acres                                             | 6,445     | 10,000      | 47.8           | 33.33%             | 33.33%        | 33.33%       | 2458.66    | 15,846,038        |
| Project Totals                                                               | 27,207    |             |                |                    |               | 100%         |            | <b>28,988,787</b> |

| Project Area and Total Employees  | Number of | Canopy in   | Total Square   | Area in Acres | Avg. Cultivation | Avg.         | Total Full Time |               |
|-----------------------------------|-----------|-------------|----------------|---------------|------------------|--------------|-----------------|---------------|
|                                   | Parcels   | Square Feet | Feet of Canopy | 43,560        | Employees per    | Trimmers per | Per Parcel      | Total Project |
|                                   |           |             |                |               | Parcel           | Parcel       |                 |               |
| AG, AE, FR Parcels 2 to 5 acres   | 6,836     | 500         | 3,418,000      | 78.47         | 0.50             | 0.41         | 0.91            | 6,255         |
| AG, AE, FR Parcels 5 to 10 acres  | 8,228     | 2,500       | 20,570,000     | 472.22        | 1.17             | 1.61         | 2.78            | 22,875        |
| AG, AE, FR Parcels 10 to 20 acres | 5,698     | 5,000       | 28,490,000     | 654.04        | 1.58             | 3.23         | 4.81            | 27,409        |
| AG, AE, FR Parcels over 20 acres  | 6,445     | 10,000      | 64,450,000     | 1,479.57      | 2.33             | 6.45         | 8.79            | 56,634        |
| Project Totals                    |           |             | 116,928,000    | 2,684.30      |                  |              |                 | 113,173       |

### Calculating Labor Demand: Underestimated in EIR

The following comment addresses the projected labor requirements for cannabis cultivation calculated two different ways. Both assume all 27,207 parcels would be fully developed cultivation sites.

\*It is important to note that the employment figures include both cultivators and trimmers, with 37,078 cultivator type jobs required to support the project and an additional 76,096 trimmers. The both the cultivators and trimmers are considered full time employees in that they are working 2,000 hours in a year. The number of cultivators is determined by the size and type of operation and the number of trimmers is determined based on two variables. The first variable is how many hours are required to trim a pound of cannabis, and the second variable being how many pounds of cannabis requires trimming. The number of hours per pound was determined to be 6 hours a pound which assumes some use of machine

trimming. Trimming a pound in 8 hours was also evaluated but the number of trimmers increased. The cannabis yield was calculated on 47.8 grams per pound, which was estimated in several studies examined. While some studies were showing less grams per square foot yield for indoor grown, other studies showed that the yield was similar to outdoor grown. An additional source found that the average indoor yield ranged from 20 grams per square foot to 60 grams per square foot of canopy area. Given the wide range of yields, the 47.8 grams per square foot was utilized for the calculations. Smaller yields would result in fewer employees and less of a housing demand, and larger yields would increase the labor and housing demands for the project. More will be discussed about the yields in the section about Cannabis Production.

#### Calculation Alternative 1:

A good trimmer can produce about one pound of trimmed cannabis per day. Trimming 28.989 million pounds of total production would require 28.989 million days of labor. Assuming an average of 8 hours in a typical day, the trimming hours alone would total 231,910,296 hours. Using 2,000 hours a year and 8 hour days, 115,955 full time workers would be required just for hand trimming cannabis.

Considering that 25% of the gross crop will never reach the market because of testing failures, mildew and other crop losses or not planting the entire canopy area will account for the difference between the net and gross production figures. Assuming 12.5% of the crop would be lost before testing and the remaining 12.5% would be lost after testing and would have been trimmed product before reaching the testing facility, the total trimmed amount of cannabis would be reduced by 3.626 million pounds for a new total of 25.363 million pounds. Hand trimming would require 25.363 million days of labor at 8 hours per day per pound. Assuming an average of 8 hours in a typical day, the trimming hours alone would total 202,904,000 hours. Using 2,000 hours a year and 8 hour days, 101,452 full time workers would be required just for hand trimming cannabis.

At these scales of production, not all of the cannabis produced will be trimmed totally by hand. Trimming machines will be utilized which will reduce the amount of time required to trim each pound. Trimming machines only solve a portion of the trimming job, as they have to be cleaned very often and the product produced from these machines still has to be hand trimmed. But the overall labor demand for trimmers can be reduced, compared to hand trimming an entire pound. Using a figure of 6 hours per pound for the trimming the total projects labor requirements for trimming is reduced to 76,096 workers.

The labor demands for cultivation are in addition to the trimming demands. Labor demands for cultivation have been estimated and are shown in the following table. Using an average figure per cultivation site which varied on the size of parcel, type of cultivation and assuming year round cultivation in the indoor and mixed light operations

O-223  
cont'd

and half time for the outdoor operations, the total labor demand was 37,078. These employees would be dedicated only to cultivation year round and would not be available for trimming except the outdoor cultivation sites. There is no double counting of labor in these figures. When the cultivation labor requirements are adding to the trimming requirements using the 6 hours per pound production rate, the total labor force for the project would equal 113,173 employees.

Commercial cultivation on any site requires far more than tending plants because of the significant paperwork and reporting required by the state as well as the track and trace system. Compliance is a significant factor when considering labor demands for licensed cultivation. In addition, the indoor and mixed-light operations are running 24 hours per day and care needs to be taken with lighting and environment systems around the clock, which is significantly different than an outdoor operation. Finally, it must be noted that all cultivation are operating at 100% capacity and 100% efficiency. This is an optimistic consideration, however the project has been evaluated in every section of the EIR for the maximum developed condition, and the projected labor requirements should not be considered differently. The cost of construction and the cost of obtaining permits as well as the commitment to a commercial operation would suggest that these operations would be professionally run and operated to the maximum footprint allowed.

The following table summarizes the calculations described above:

O-223  
cont'd

|                                                                                                         |                                                              |               |                           |                         |                             |                  |               |            |
|---------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|---------------|---------------------------|-------------------------|-----------------------------|------------------|---------------|------------|
|                                                                                                         |                                                              |               | Calculation Alternative 1 |                         |                             |                  |               |            |
|                                                                                                         | Cultivation Only - Number of Full Time Employees per Parcel  |               |                           |                         |                             |                  | Cultivation   |            |
|                                                                                                         | Cultivation                                                  | Total Project |                           |                         |                             | Average          | Only          |            |
| Parcel Size                                                                                             | Area                                                         | Number of     | Indoor                    | Mixed Light             | Outdoor                     | Total Employees  | Number of     |            |
|                                                                                                         | Square Feet                                                  | Parcels       |                           |                         | 1/2 Year Only               | Per Parcel       | Full Time     |            |
|                                                                                                         |                                                              |               |                           |                         |                             |                  | Employees     |            |
| 2-5 acres                                                                                               | 500                                                          | 6,836         | 0.5                       | 0                       | 0                           | 0.50             | 3,418         |            |
| 5-10 acres                                                                                              | 2,500                                                        | 8,228         | 1                         | 1.5                     | 0.5                         | 1.17             | 9,599         |            |
| 10-20 acres                                                                                             | 5,000                                                        | 5,698         | 2                         | 2                       | 0.75                        | 1.58             | 9,022         |            |
| > 20 acres                                                                                              | 10,000                                                       | 6,445         | 3                         | 3                       | 1                           | 2.33             | 15,038        |            |
|                                                                                                         |                                                              | 27,207        |                           |                         |                             |                  |               |            |
|                                                                                                         |                                                              |               |                           |                         | Total Cultivation Employees |                  | 37,078        |            |
|                                                                                                         | Gross and Net Production Figures to Determine Trimming Labor |               |                           |                         |                             |                  |               |            |
|                                                                                                         | Cultivation                                                  | Total Project | Gross                     | Total Pounds            | Product Loss                | Total Pounds     | Net           |            |
| Parcel Size                                                                                             | Area                                                         | Number of     | Pounds                    | Produced                | Before                      | Produced         | Pounds        |            |
|                                                                                                         | Square Feet                                                  | Parcels       | Per Parcel                | Gross                   | Trimming                    | Net              | Per Parcel    |            |
|                                                                                                         |                                                              |               |                           |                         | 12.50%                      |                  |               |            |
| 2-5 acres                                                                                               | 500                                                          | 6,836         | 158.07                    | 1,080,582               | 135,073                     | 945,509          | 138           |            |
| 5-10 acres                                                                                              | 2,500                                                        | 8,228         | 614.66                    | 5,057,456               | 632,182                     | 4,425,274        | 538           |            |
| 10-20 acres                                                                                             | 5,000                                                        | 5,698         | 1229.33                   | 7,004,711               | 875,589                     | 6,129,122        | 1,076         |            |
| > 20 acres                                                                                              | 10,000                                                       | 6,445         | 2458.66                   | 15,846,038              | 1,980,755                   | 13,865,283       | 2,151         |            |
|                                                                                                         |                                                              | 27,207        |                           | 28,988,787              |                             | 25,365,189       |               |            |
| Total Employees Required for Project - Using 8 Hours per Pound for Trimming Including Cultivation Hours |                                                              |               |                           |                         |                             |                  |               |            |
|                                                                                                         |                                                              |               |                           | Total Number            | Number of Full              | Number of Full   | Total Full    | Total Full |
|                                                                                                         |                                                              |               |                           | of Hours                | Time Equeivalent            | Time Equeivalent | Time          | Time       |
|                                                                                                         | Cultivation                                                  | Total Project | Trimming                  | Required for            | Employees                   | Employees        | Employees     | Employees  |
| Parcel Size                                                                                             | Area                                                         | Number of     | Hours                     | Trimming                | Total Annual                | Required for     | Per Parcel    |            |
|                                                                                                         | Square Feet                                                  | Parcels       | Per Pound                 | Per Parcel              | Trimming Hours              | Trimming         |               |            |
|                                                                                                         |                                                              |               |                           |                         | 2,000                       |                  |               |            |
| 2-5 acres                                                                                               | 500                                                          | 6,836         | 8                         | 1,107                   | 0.55                        | 3,782            | 1.05          | 7,200      |
| 5-10 acres                                                                                              | 2,500                                                        | 8,228         | 8                         | 4,303                   | 2.15                        | 17,701           | 3.32          | 27,300     |
| 10-20 acres                                                                                             | 5,000                                                        | 5,698         | 8                         | 8,605                   | 4.30                        | 24,516           | 5.89          | 33,538     |
| > 20 acres                                                                                              | 10,000                                                       | 6,445         | 8                         | 17,211                  | 8.61                        | 55,461           | 10.94         | 70,499     |
|                                                                                                         |                                                              | 27,207        |                           |                         |                             |                  |               |            |
|                                                                                                         |                                                              |               |                           | Trimming Employees Only |                             | 101,461          | Total Project | 138,538    |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                                                              |               |                           |                         |                             |                  |               |            |
|                                                                                                         |                                                              |               |                           | Total Number            | Number of Full              | Number of Full   | Total Full    | Total Full |
|                                                                                                         |                                                              |               |                           | of Hours                | Time Equeivalent            | Time Equeivalent | Time          | Time       |
|                                                                                                         | Cultivation                                                  | Total Project | Trimming                  | Required for            | Employees                   | Employees        | Employees     | Employees  |
| Parcel Size                                                                                             | Area                                                         | Number of     | Hours                     | Trimming                | Total Annual                | Required for     | Per Parcel    |            |
|                                                                                                         | Square Feet                                                  | Parcels       | Per Pound                 | Per Parcel              | Trimming Hours              | Trimming         |               |            |
|                                                                                                         |                                                              |               |                           |                         | 2,000                       |                  |               |            |
| 2-5 acres                                                                                               | 500                                                          | 6,836         | 6                         | 829.88                  | 0.41                        | 2,837            | 0.91          | 6,255      |
| 5-10 acres                                                                                              | 2,500                                                        | 8,228         | 6                         | 3,226.99                | 1.61                        | 13,276           | 2.78          | 22,875     |
| 10-20 acres                                                                                             | 5,000                                                        | 5,698         | 6                         | 6,453.97                | 3.23                        | 18,387           | 4.81          | 27,409     |
| > 20 acres                                                                                              | 10,000                                                       | 6,445         | 6                         | 12,907.94               | 6.45                        | 41,596           | 8.79          | 56,634     |
|                                                                                                         |                                                              | 27,207        |                           |                         |                             |                  |               |            |
|                                                                                                         |                                                              |               |                           | Trimming Employees Only |                             | 76,096           | Total Project | 113,173    |

The following chart illustrates the total cannabis cultivation production by employee.

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| Cultivation Production by Employee |                             |                            |                                             |                 |                |                                          |                     |
|------------------------------------|-----------------------------|----------------------------|---------------------------------------------|-----------------|----------------|------------------------------------------|---------------------|
| Parcel Size                        | Average Employees per Site  | Employees 500 sf           | Employees 10,000 sf                         | Total Employees | % of Employees | Total Pounds Produced Net                | Pounds per Employee |
| 2-5 acres                          | 0.50                        | 3,418                      |                                             |                 | 9.22%          | 945,509                                  | 276.63              |
| 5-10 acres                         | 1.17                        | 9,599                      |                                             |                 | 25.89%         | 4,425,274                                | 461.00              |
| 10-20 acres                        | 1.58                        | 9,022                      |                                             |                 | 24.33%         | 6,129,122                                | 679.37              |
| > 20 acres                         | 2.33                        |                            | 15,038                                      |                 | 40.56%         | 13,865,283                               | 922.00              |
|                                    |                             | 22,039                     | 15,038                                      | 37,078          | 100.00%        | 25,365,189                               | 684.11              |
|                                    |                             |                            |                                             |                 |                |                                          | Project Avg.        |
| Cultivation Employees Only         |                             |                            | Trimming Employees Only                     |                 |                | Total Employees                          |                     |
| Number of Parcels                  | Total Cultivation Employees | Average Employees Per Site | Using 6 Hours Production Rate for One Pound |                 |                | Total Cultivation and Trimming Employees | Average             |
|                                    |                             |                            | Parcels                                     | Employees       | Per Site       | Employees                                | Per Site            |
| 27,207                             | 37,078                      | 1.36                       | 27,207                                      | 76,096          | 2.80           | 113,173                                  | 4.160               |

### Subtracting the Labor Used in the Existing Cultivation Sites:

The existing 3,500 cultivation sites have been estimated to be staffed at 0.75 workers per site. This would total  $3,500 \times 0.75 = 2,625$  cultivation workers. There is no statistic available that shows the size of these existing cultivation sites, but if it was assumed that they were all outdoor sites and were on average 1,000 square feet the total outdoor canopy could be estimated. This assumes that each parcel is only growing a single crop per year. Per parcel, the gross yield would be calculated at  $(1,000 \times 47.8 \text{ grams per square foot} / 453.59 \text{ grams per pound}) = 104.72$  pounds per site. (The average production based on 68,000 parcels in California in the 2016 ERA Study producing 13.5 million pounds was about 98 pounds per cultivation site) The  $104.72 \text{ pounds} \times 3,500 \text{ parcels} = 366,520$  pounds. At 8 hours per day hand trimming the labor required 366,520 days for trimming a pound. Using the same calculations for labor as shown above, 1,466 employees would be required for trimming the entire existing cannabis harvest in the county. If the 6 hour per pound figure was used 75% of the trimming hours would be used, which would total about 1,100 trimmers.

Assuming half of the 3,500 cultivation sites were to obtain cultivation licenses, and remaining cultivation sites either could not meet the licensing requirements or chose not to participate in the licensing program, there would be 1,750 permitted cultivation sites. The employees working at these sites would now be available for the new licenses as well as the trimmers working at these cultivation sites. Adding the 0.75 workers for the 1,750 cultivation sites would equal  $1,312.5 \text{ employees} / 2 = 656.25$  because the cultivation is only operating 6 months of the year. Plus the trimmers (assuming 8 hours per pound, since these are small sites and a large portion are trimmed by hand)  $1,466 / 2$

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= 733 trimmers. The cultivator can perform some of the trimming so assuming that for six months the cultivator trimmed instead of cultivated at 75% of the time the labor would equal the amount of time spent cultivating. The resulting number of total labor would equal the cultivation labor of 656.25 + trimming labor 733 – the labor that the cultivator provided towards the trimming 656.25, which would equal a total labor force of 733 people available for commercial cannabis operations.

There are many cultivation sites in the county which exceed 1,000 square feet, and the average site may be closer to 2,500 square feet or 25 plants. If the 2,500 site size were utilized for the labor analysis the number of people need for these 1,750 cultivation sites would increase by 2.5 times and would total 1,832.5 employees which could be used for commercial cultivation.

#### The Adjusted Labor Total Requirement for Commercial Cultivation:

Assuming the 6 hours to trim a pound as previously discussed, the total labor requirement for the 22,207 parcels would total 113,173 full time employees. Subtracting the labor that could be shifted from 50% of the existing cultivation sites, assuming the average site was 2,500 square feet (25 Plants) which totaled 1,832.5 employees the net labor demand would total  $113,173 - 1,833 = 111,340$  new employees. This would not include new labor required for the supporting industries like soil, cultivation supplies, hardware stores, bookkeeping or other professional services. The resulting increase in housing demand is examined in another section. The increase in public services and traffic among other considerations as a result of this many new jobs to support a fully developed cannabis program on 27,207 parcels needs further consideration.

#### Calculation Alternative No. 2: Alternative Labor Analysis for Cultivation (Without Trimming)

If one third were growing outdoors and needed just one person per site for cultivation ( $27,207 / 3 = 9,069$  people for 6 months of the year). The indoor and mixed-light facilities would operate year round and sites between 500 square feet and 2,500 square feet could probably be operated with a single person. Sites of 5,000 square feet may require two people and 10,000 sites may require 3 people. Assuming that two thirds of the total parcels are mixed-light or indoor cultivation sites ( $27,207 / 3 \times 2 = 18,138$  sites would be mixed-light or indoors. If one third of these sites were between 500 and 2,500 square and would require 1 person 12 months of the year, and one third were 5,000 square feet and required 2 people full time for the year and one third were 10,000 square feet and require 3 people for the year, the following number of people would be required for cultivation. ( $18,138 / 3 = 6,046$ ) So the 500 to 2,500 square foot sites would need ( $6,046 \times 1$ ), the 5,000 square foot sites would need ( $6,046 \times 2 = 12,092$ ) and the 10,000 square foot sites would need ( $6,046 \times 3 = 20,838$ ). The mixed-light and indoor cultivation sites would need ( $6,046 + 12,092 + 20,838 = 38,976$  people, plus the outdoor cultivation sites

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which require 9,069 for 6 months or  $(9,069 / 2) = 4,535$  people for a total of 43,511 full time cultivation employees. Then the trimming employees are added, which were estimated at 76,096 employees, who trimmed one pound in 6 hours. Total employees in this scenario equal 119,607 minus the 1,833 employees from half of the 3,500 existing cultivation sites, which then total 117,774 new employees for the 27,207 parcel project.

These calculations are somewhat similar to the 113,173 employees calculated above in Alternative No. 1. Both alternatives use the same number of trimmer employees, which is calculated on the net production of the total project in pounds and assumes 6 hours per pound for trimming.

### Calculation Alternative 3:

Using 27,207 parcels and half being outdoor and the other half being mixed light and assuming a 5,000 average footprint for each site and assuming 1 person for each outdoor site and 2 people for each mixed light site on a full time basis, the total full time labor demand would be  $(27,207 / 2 = 13,604 \times 1 \text{ employee} / 2 \text{ for the 6 months which would equal } 6,802 \text{ full time employees for outdoor cultivation. For the mixed-light portion there would be } 13,604 \times 2 \text{ employees which would equal } 27,208 \text{ employees. Adding the outdoor employees to the mixed-light employees the total would equal } (6,802 + 27,208) = 34,010 \text{ employees. This is less than the } 37,078 \text{ employees calculated in Alternative 1 above. The Alternative scenario generated a total net production of } 25,365,189 \text{ pounds and } 54.66\% \text{ of the production came from the } 10,000 \text{ cultivation sites. The production employees for the } 10,000 \text{ square foot sites totaled } 40.56\% \text{ of the total cultivation workforce, and the } 500 \text{ SF, } 2,500 \text{ SF and } 5,000 \text{ SF combined totaled } 59.44\% \text{ of the total cultivation workforce. Alternative 3 generated a very similar number of net pounds at } 25,088,177 \text{ but the employees needed for the } 10,000 \text{ square foot cultivation sites are underestimated using this approach.}$

Increasing the cultivation workforce for the mixed-light cultivation by 0.25 employees would add 3,401 employees, which would bring the total number of cultivation employees up to  $(34,010 + 3,401) = 37,411$  total cultivation employees. This number is within 333 total cultivation employees calculated in Alternative 1.

### Additional Indirect Workers:

In addition, indirect workers, which include transporters, soils and cultivations suppliers, hardware stores, restaurants, propane suppliers, bookkeepers and other professional workers would be increased to support the cannabis cultivation on 27,207 parcels. These indirect workers have not been addressed in the EIR and have been included in the calculations above for cannabis cultivation employees or trimming employees. Additional impacts to traffic, local services, housing, schools, parks and recreation, air quality and impacts to sheriff resources and other vital county services would be expected.

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The project EIR shows a demand for only 22,866 employees which is 46% of the population (Page 4.12-9). The current county population is almost 100,000, so the 46% must be referring to the total workforce in the county. On Page 4.12-8 the existing labor force Nevada County is shown 48,654. The project EIR has also assumed that 3,500 people are currently employed in cannabis cultivation.

All of the Alternatives discussed above exceed the entire workforce of Nevada County even when deducting the existing 3,500 workers from these numbers. Again these figures are before additional workers needed for supporting services and new construction of houses as well as other workers for solar installation, well and septic tank construction along with the other numerous supporting services required for new construction. With a current unemployment rate of 3.3% in the county a substantial numbers of workers would either commute or relocate to Nevada County for these cannabis jobs. The EIR considers that 75% of the parcels included in the project would contribute one employee to work in the commercial cannabis cultivation which would calculate  $(27,207 \times 75\%) = 20,406$  workers. This figure if subtracted from the total project labor demand of 113,173 total employees would equal a net of 92,767 new employees need for the full project. There are not 27,207 people currently working in cannabis in Nevada County. Based on the previous calculations above in the Labor Used in the Existing Cultivation Sites section, the 3,500 existing cultivation sites employ about 3,665 people on a full time equivalent basis.

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### **Housing: Underestimated in EIR**

Nevada County has a population of about 99,155 people according the EIR with the three incorporated cities, which include Truckee with 16,681 residents, Nevada City with 3,225 residents and Grass Valley with 13,401 residents which is housing roughly 33% of the population of the county. The area outside the city limits would be within the county, where commercial cannabis cultivation would occur. The EIR states that there were approximately 4.0 persons per household in the County (US Census 2016c) Page 4.12-2. Further down the same page the EIR said, "The number of persons per household in Nevada County in 2018 was 2.35 (DOF, 2018b)." The 1/1/2016 figures show there were 98,520 people in the county and the persons per household was 2.36.

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### **Parcels with Residences – Total Parcels and Occupied Parcels**

The number of 2.35 is consistent with the number found while researching data for the preparation of comments for this EIR. Using 2.35 persons per household, the total number of housing units in the incorporated cities would total  $(16,681 + 3,225 + 13,401 = 33,307)$  which would be divided by 2.35 and that would equal 13,747 existing housing units needed for the incorporated cities. This assumes that there are no vacancies. In the

county area which would be  $99,155 - 32,307 = 66,848$  which would be the total population in the unincorporated areas. The  $66,848 / 2.35$  indicate that there are 28,445 housing units occupied by residents assuming there are no vacancies in the unincorporated portion of the county. These county housing units are in different zoning classifications and only the AG, AE and FR zoned properties are currently eligible for commercial cannabis cultivation as written the draft ordinance.

The Lake Wildwood, Alta Sierra and Lake of the Pines communities represent a considerable number of housing units in the unincorporated area of the county along with other parcels in different residential zones. Since RA lots are generally located closer to services than AG, AE and FR lots, and the three master planned communities represent a significant number of existing homes, (The actual number is probably available), let's assume for the purpose of this analysis, that the AG, AE and FR zoned parcels contain 1/3 of the existing housing units in the county and the RA zone contains 1/3 of the existing housing units and the remaining 1/3 is split between the three large master planned developments plus the remaining residential parcels in the county.

One third of 28,445 occupied housing units, (which is the total number of housing units the unincorporated area of the county), equals 9,481 existing occupied housing units located in the AG, AE and FR zones. When adjusted for the 22.6% occupancy rate the total number of parcels with residences equal 12,250 total housing units.

### **Alternative Calculation for Number of Parcels with Residences in the Unincorporated Area of Nevada County**

The data obtained from the Community Development Department in May 2018, shows that there are 140 parcels with residences in the AE zone, 10,363 parcels with residences in the AG zone and 2,163 parcels with residences in the FR zone. The combined number of parcels with residences in these three zones equal 12,666 parcels with residences. Assuming the 22.6% county average vacancy rates were applied to these parcels, there would be 9,803 occupied residents in the AG, AE and FR zones.

### **Comparing the Two Alternative Calculations**

The total number of parcels with occupied residences was calculated at 9,481 in the first example and 9,803 in the second example. These included only the AG, AE and FR zones. The RA-Rural zone contained 2,524 parcels with residences and assuming the same 22.6% vacancy rate, the occupied RA-Rural parcels would contain 1,954 occupied residences. Using the same ratio of total number of parcels as calculated in the AG, AE and FR zones ( $27,207 / 12,666 = 2.148$ ) compared to total parcels with residences; the RA-Rural zoned parcels would total 5,421. This may be an inflated overall number since there are more of the smaller sized parcels in the RA-Rural zone. The 2 acre to 5 acre

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AG, AE and FR zoned parcels total 25.35% of the total in those zones while the RA-Rural zone total 40.01% of the 2 acre to 5 acre parcel size.

### **Determining the Additional Housing Needs to Meet the Project Requirements**

The proposed project requires that there must be a house on every cultivation site or on a directly adjacent parcel to cultivate commercial cannabis. The EIR has said that there are 27,207 total parcels in the AG, AE and FR zones and the RA Project Alternative said that there are a total of 20,833 parcels in the total RA zone, which includes RA-Residential, RA-Estate and RA-Rural properties. (These figures assume that there would be a residence on every single parcel, which is highly questionable based on other information provided in the comments made in other sections of the EIR, which would preclude all of these parcels being developed for commercial cannabis operations. Many parcels are not developable, would not meet setback requirements, may be located within 1,000' of sensitive sites, may not have water may contain other physical or environmental constraints would prevent some parcels from being able to develop homes, and not every property would want to cultivate commercial cannabis).

Since a total of 27,207 housing units are needed to support the total commercial cultivation in the AG, AE and FR zones, 27,207 – 12,666 existing housing units in the AG, AE and FR zones (Using the higher figure from above) = 14,541 new housing units are needed in the AG, AE and FR zones are needed to support the full project in order to obtain commercial cultivation permits on every parcel. (Less the individual cultivation sites which are adjacent to cultivation sites under the same ownership)

### **Total Housing Needed to Support the Project**

The total employment as calculated equals 113,173 employees for the commercial cannabis program assuming every one of the 27,207 would develop cannabis at 100% of capacity the licenses issued for each site. This figure would include an average 1.36 employees per parcel for cultivation and an additional 2.8 employees per site for trimming, for a total of 4.260 employees per site. (The write-up in the employment section goes into a great amount of detail as to how these figures are calculated).

\*It is important to note that the employment figures include both cultivators and trimmers, with 37,078 cultivator type jobs required to support the project and an additional 76,096 trimmers. The both the cultivators and trimmers are considered full time employees in that they are working 2,000 hours in a year. The number of cultivators is determined by the size and type of operation and the number of trimmers is determined based on two variables. The first variable is how many hours are required to trim a pound of cannabis, and the second variable being how many pounds of cannabis requires trimming. The number of hours per pound was determined to be 6 hours a pound which assumes some use of machine

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trimming. Trimming a pound in 8 hours was also evaluated but the number of trimmers increased. The cannabis yield was calculated on 47.8 grams per pound, which was estimated in several studies examined. While some studies were showing less grams per square foot yield for indoor grown, other studies showed that the yield was similar to outdoor grown. An additional source found that the average indoor yield ranged from 20 grams per square foot to 60 grams per square foot of canopy area. Given the wide range of yields, the 47.8 grams per square foot was utilized for the calculations. Smaller yields would result in fewer employees and less of a housing demand, and larger yields would increase the labor and housing demands for the project. More will be discussed about the yields in the section about Cannabis Production.

Assuming that each parcel would contribute one employee to the cannabis cultivation workforce the total employees from the cultivation parcels would equal 27,207 employees. Using the 113,173 figure above minus the 27,207 people employed in cannabis in the AG, AE and FR zones, assuming one person per site full time, 85,966 people would require housing outside of these zones.

Starting with the 113,173 housing units minus the 12,666 which already existing in the AG, AE and FR zones, the total number of new housing units required would equal 100,507 less the number of unoccupied houses available in the county if every available housing unit were used to support commercial cannabis (See description below) which total 9,176 outside the AG, AE and FR zones for a **total of 91,331 new housing units** required to meet the needs of the project. **Of this total 14,541 would need to be constructed in the AG, AE and FR zones to comply with the requirement of there being a residence on every lot to cultivate commercial cannabis. This would result in the need for 76,790 housing units to be constructed outside of these zones.**

\*\* These housing figures assume one commercial cannabis worker per household working full time (8 hours per day year round) and does not include any housing for the additional workers anticipated for supporting businesses such as the soils suppliers, cultivation suppliers, hardware stores and professional service suppliers required to support the cannabis industry in the county.

### **Housing Units Available in the Total County and the AG, AE and FR Zones**

Data from 2016 shows that Nevada County had a total of 53,347 housing units with 41,308 occupied, and a vacancy rate of 22.6%. Of the 53,347 total housing units in the county assuming that occupied units were evenly distributed between all zoning categories, the 12,666 existing housing units (Using the Community Development Department Number shown above) in the AG, AE and FR zones minus the 9,803 occupied units based on 2.35 people per unit would leave a current supply of 2,863 available housing units in these zones.

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There are a total of 12,039 vacant housing units in the county, which include 2,863 housing units in the AG, AE and FR zones;

Table 1: E-5 County/State Population and Housing Estimates, 1/1/2016 produced by the State of California, shows that Nevada County had a total of 53,347 housing units of which 41,308 were occupied, which equaled a 22.6% vacancy rate. Based on this data there were 12,039 available housing units in the county. The total population was shown at 98,520 for the county.

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### **Additional Population Growth as a Result of Commercial Cultivation of Cannabis on Every Parcels in the AG, AE, and FR zones**

The 113,173 full time workers employed in commercial cannabis also are assumed to have families and contain an average household size of 2.35 persons.

There are 12,666 parcels with residences in the AG, AE and FR zones and the current population of those existing households would equal 29,765 people if all units were occupied. Since only 9,803 of these units are occupied the current total population in the AG, AE and FR zones would total 23,038 people. Using the total number of full time employees of 113,173 times 2.35 a total population of 265,957 people would be the result. **Currently in the AG, AE and FR zones there are 23,038 people based on the 2.35 persons per residential unit and assuming that 9,803 were currently occupied which would result in a project total of  $(265,957 - 23,038) = 242,919$  people. This is a population increase of about 246% above the total county population in 2016.**

The 2,863 housing units which are currently unoccupied in the AG, AE and FR zones would contain 6,728 new people and these units are assumed to be used for part of the projects housing requirements. The 14,541 new housing units need in the AG, AE and FR zones would contain 34,171 people. The remaining 9,176 unoccupied housing units located in other areas of the county which were also assumed to be used as part of the project would contain 21,564 people.

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The balance of 76,790 new housing units needed to support the commercial cannabis cultivation industry would add 180,456 people. Again these figures do not include supporting businesses.

### **Additional Housing and Population Growth for the RA-Rural Parcels**

The employment and housing need in the RA-Rural zone is substantially different than the AG, AE and FR zones. The labor per parcel requirement varies with the parcel size as well as the type of cultivation operation occurring on the site. On the 2 acre to 5 acre sites, only 500 square feet of indoor cultivation is allowed. On the 2,500, 5,000 and 10,000 square foot parcels there are outdoor, mixed-light and indoor operation, with each operation considered being 1/3 of the total. There is also the need for cultivation

and trimming employees required for each site and the number of trimming employees is based on the amount of cannabis production in pounds. The following table represents the total employees required in the RA-Rural, if every parcel in this zone were to cultivate cannabis and that the cultivation would total 100% of the allowable area.

| <b>RA-Rural Zone</b>                                                                                           |                                    |                                       |                                |                                        |                                             |                                       |                         |                    |
|----------------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------|--------------------------------|----------------------------------------|---------------------------------------------|---------------------------------------|-------------------------|--------------------|
| <b>Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours</b> |                                    |                                       |                                |                                        |                                             |                                       |                         |                    |
|                                                                                                                |                                    |                                       |                                | Total Number<br>of Hours               | Number of Full<br>Time Equivalent           | Number of Full<br>Time Equivalent     | Total Full<br>Time      | Total Full<br>Time |
| Parcel Size                                                                                                    | Cultivation<br>Area<br>Square Feet | Total Project<br>Number of<br>Parcels | Trimming<br>Hours<br>Per Pound | Required for<br>Trimming<br>Per Parcel | Employees<br>Total Annual<br>Trimming Hours | Employees<br>Required for<br>Trimming | Employees<br>Per Parcel | Employees          |
|                                                                                                                |                                    |                                       |                                |                                        | 2,000                                       |                                       |                         |                    |
| 2-5 acres                                                                                                      | 500                                | 2,169                                 | 6                              | 829.88                                 | 0.41                                        | 900                                   | 0.91                    | 1,985              |
| 5-10 acres                                                                                                     | 2,500                              | 2,558                                 | 6                              | 3,226.99                               | 1.61                                        | 4,127                                 | 2.78                    | 7,112              |
| 10-20 acres                                                                                                    | 5,000                              | 326                                   | 6                              | 6,453.97                               | 3.23                                        | 1,052                                 | 4.81                    | 1,568              |
| > 20 acres                                                                                                     | 10,000                             | 367                                   | 6                              | 12,907.94                              | 6.45                                        | 2,369                                 | 8.79                    | 3,225              |
|                                                                                                                |                                    | 5,420                                 |                                |                                        |                                             |                                       |                         |                    |
|                                                                                                                |                                    |                                       |                                | Trimming Employees Only                |                                             | 8,448                                 | Total Project           | 13,889             |

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There are 2,524 existing residences in the RA-Rural zone and considering all parcels would cultivate commercial cannabis and each parcel would contribute one full time person, the need for additional housing units would total  $13,889 - 2,524 = 11,365$  housing units. The vacancies have already been captured in the AG, AE and FR zone calculations. These 11,365 people needing housing would equate to a total population increase of 26,707.

### Summary: Housing and Population

The combined project would require  $91,331 + 11,365 = 102,696$  new housing units to support full commercial cannabis production in the AG, AE, FR and RA-Rural zones.

The total commercial cannabis employees would total  $113,173 + 13,889 = 127,062$  full time employees.

The total county population would increase by  $242,919 + 26,707 = 269,626$  people.

The supporting industry employees and housing need are not included in the above figures.

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### Analysis of Cannabis Production

Developing 116,928,000 sf or 4.2 square miles of cannabis on 27,207 parcels in Nevada County would represent a very large project. The amount of production from this size of project at 100% capacity on 100% of the parcels would yield 28.988 million pounds of

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cannabis. The following information is provided to demonstrate the demand for cannabis in California currently as well as what the projected demand is in the year 2020.

| Gross Total Cannabis Yield at Full Buidout, Project Area and Total Employees |                      |                          |                                               |                         |                              |                         |                                 |
|------------------------------------------------------------------------------|----------------------|--------------------------|-----------------------------------------------|-------------------------|------------------------------|-------------------------|---------------------------------|
| Feb. 3, 2019                                                                 |                      |                          |                                               |                         |                              |                         |                                 |
| Parcel Designation<br>100% Production                                        | Number of<br>Parcels | Canopy in<br>Square Feet | Outdoor And<br>Indoor Yield<br>Grams per S.F. | Annual Grow Cycles      |                              |                         | Average<br>Pounds<br>per Parcel |
|                                                                              |                      |                          |                                               | Indoor<br>3 Grow Cycles | Mixed-light<br>3 Grow Cycles | Outdoor<br>1 Grow Cycle |                                 |
| AG, AE, FR Parcels 2 to 5 acres                                              | 6,836                | 500                      | 47.8                                          | 100%                    |                              |                         | 158.07                          |
| AG, AE, FR Parcels 5 to 10 acres                                             | 8,228                | 2,500                    | 47.8                                          | 33.33%                  | 33.33%                       | 33.33%                  | 614.66                          |
| AG, AE, FR Parcels 10 to 20 acres                                            | 5,698                | 5,000                    | 47.8                                          | 33.33%                  | 33.33%                       | 33.33%                  | 1229.33                         |
| AG, AE, FR Parcels over 20 acres                                             | 6,445                | 10,000                   | 47.8                                          | 33.33%                  | 33.33%                       | 33.33%                  | 2458.66                         |
| Project Totals                                                               | 27,207               |                          |                                               |                         |                              | 100%                    | 28,988,787                      |

| Project Area and Total Employees  | Number of<br>Parcels | Canopy in<br>Square Feet | Total Square<br>Feet of Canopy | Area in Acres<br>43,560 | Avg. Cultivation<br>Employees per<br>Parcel | Avg.<br>Trimmers per<br>Parcel | Total Full Time<br>Employees |               |
|-----------------------------------|----------------------|--------------------------|--------------------------------|-------------------------|---------------------------------------------|--------------------------------|------------------------------|---------------|
|                                   |                      |                          |                                |                         |                                             |                                | Per Parcel                   | Total Project |
| AG, AE, FR Parcels 2 to 5 acres   | 6,836                | 500                      | 3,418,000                      | 78.47                   | 0.50                                        | 0.41                           | 0.91                         | 6,255         |
| AG, AE, FR Parcels 5 to 10 acres  | 8,228                | 2,500                    | 20,570,000                     | 472.22                  | 1.17                                        | 1.61                           | 2.78                         | 22,875        |
| AG, AE, FR Parcels 10 to 20 acres | 5,698                | 5,000                    | 28,490,000                     | 654.04                  | 1.58                                        | 3.23                           | 4.81                         | 27,409        |
| AG, AE, FR Parcels over 20 acres  | 6,445                | 10,000                   | 64,450,000                     | 1,479.57                | 2.33                                        | 6.45                           | 8.79                         | 56,634        |
| Project Totals                    |                      |                          | 116,928,000                    | 2,684.30                |                                             |                                |                              | 113,173       |

Considering that according to the National Survey on Drug Abuse (NSDA) figures for 2017, there was about 2.253 million pounds of consumption for users 12 and older and when the use rates were projected to 2020, consumption would increase to about 3.0 million pounds for the 12 and over population. (The 12 and over number is included in the NSDA data and the 12 to 21 age group represents about 300,000 pounds which have to be deducted from the 3.0 million pounds for legal adult use). Given that about 47.8 grams per square foot is an average yield for outdoor cultivation, about 4,590.4 pounds (47.8 grams x 43,560 sf / 453.59 grams per pound) could be produced from an acre, so  $3,000,000 / 4,590 = 653.5$  acres would be required to produce the states demand with outdoor cultivation. If indoor and mixed light operations replaced outdoors and only produced three crops per year in the same square footage (Which is a low estimate), the total acreage required would be 218 acres. So theoretically, 218 one acre indoor or mixed-light farms could supply the entire state cannabis demand in 2020. The unregulated market will of course supply at least half of the demand for the foreseeable future. Having cultivation caps on farm sizes and/or limiting the number of licenses held by a single entity may be a very important consideration for small cultivators who want to successfully operate in the regulated market. These are decisions for the legislature and considering the 1 acre cap on cultivation expires in 2022, many more large cannabis operations could be expected.

Given that the total demand of cannabis for 2020 could be harvested on 653.5 acres in permitted outdoor cultivation sites (a square mile being 640 acres), presenting a finding that Nevada County could cultivate four times the total amount of state consumption is unrealistic. In addition, a high number of licenses are being issued for mixed-light cultivation which on average produces at least three times the yields as outdoors. If just half of the cultivation sites were outdoors and half were mixed light the actual production would increase substantially. In the model for determining total yield, energy demand,

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water and housing demand as well as the employees would work in these facilities, it was determined that 1/3 of the parcels would be outdoor cultivation sites, 1/3 would be mixed-light and 1/3 would be indoor. This applies to all parcels over 5 acres and the 2.0 to 5.0 acre parcels were limited to 500 square feet indoors. This project at 100% buildout produced almost 29.0 million pounds of cannabis.

As an alternative way of examining total gross production of the project would be to assume that one half of the project would be outdoor cultivation and one half would be indoors. This might look like the following example: A total project area of 116,928,000 sf / 2 = 58,464,000 sf outdoors and 58,464,000 sf mixed light. Outdoors there would be 58,464,000 sf x 47.8 grams/sf = 2,794,579,200 grams, and an additional 58,464,000 sf x 47.2 grams/sf (Mixed light has a slightly smaller yield per sf) x 3 (number of grows per year minimum) = 6,862,502,400 grams. Added together these two types of cultivation would equal 9,657,081,600 grams / 453.58 (Grams per pound) would equal 21.29 million pounds which is 163% more production than the entire state in 2016 /2017 according to the figures published by ERA, which is thoroughly described below. **As stated earlier the total project produces about 29.0 million pounds and these calculations are summarized in others comments in this section above. The 29.0 million pounds represents about 215% more than the total state production in 2016/2017.**

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### **Cannabis Demand:**

When the State of California was preparing their EIR for the cannabis regulations there was a study performed by ERA which showed the number of cannabis cultivation sites in the state and the total estimated production of cannabis. According to their figures, there were about 68,000 cultivation sites in California and combined they produced about 13.5 million pounds of cannabis annually.

In March of 2018, there were a total of 2,786 Temporary Cultivation licenses issued by the state. An analysis was performed based on the types and sizes of cultivation license and a projection was made for each of these license types to determine the total amount of production which could be obtained for each license type. The square footage of canopy area and unit yields per square foot was calculated and the total amount of production at buildout was estimated at 4.856 million pounds for these 2,786 licenses. Again this was for only 2,786 licenses and utilized a very conservative approach to the number of cycles per year which could be expected from indoor and mixed-light cultivations. The estimated yield per square foot was estimated at both 41.3 grams per square foot to 47.8 grams per square foot which is consistent with many publications today.

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### **Estimated Yield of Only Total Outdoor Cannabis Production in Nevada County Based on Data Included in the Draft EIR and Assuming the 2 to 5 Acre Parcels**

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## would Cultivate Outdoors. Two Different Yield Calculations are shown for Comparison:

| Total Outdoor Gross Cannabis Production for 100% of Parcels<br>Caparison Between 47.8 Grams per S.F. and 42.3 Grams per S.F. of Production |                      |                       |                               |                      |                       |
|--------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------------------|-------------------------------|----------------------|-----------------------|
| Parcel Designation                                                                                                                         | Number of<br>Parcels | Canopy<br>Square Feet | Outdoor Yield<br>Grams per SF | Total Yield<br>Grams | Total Yield<br>Pounds |
|                                                                                                                                            |                      |                       |                               |                      | 453.59                |
| AG, AE, FR Parcels 2 to 5 acres                                                                                                            | 6,836                | 500                   | 47.8                          | 163,380,400          | 360,194               |
| AG, AE, FR Parcels 5 to 10 acres                                                                                                           | 8,228                | 2,500                 | 47.8                          | 983,246,000          | 2,167,698             |
| AG, AE, FR Parcels 10 to 20 acres                                                                                                          | 5,698                | 5,000                 | 47.8                          | 1,361,822,000        | 3,002,319             |
| AG, AE, FR Parcels over 20 acres                                                                                                           | 6,445                | 10,000                | 47.8                          | 3,080,710,000        | 6,791,838             |
|                                                                                                                                            |                      |                       |                               |                      | 12,322,049            |
| Parcel Designation                                                                                                                         | Number of<br>Parcels | Canopy<br>Square Feet | Outdoor Yield<br>Grams per SF | Total Yield<br>Grams | Total Yield<br>Pounds |
|                                                                                                                                            |                      |                       |                               |                      | 453.59                |
| AG, AE, FR Parcels 2 to 5 acres                                                                                                            | 6,836                | 500                   | 41.3                          | 141,163,400          | 311,214               |
| AG, AE, FR Parcels 5 to 10 acres                                                                                                           | 8,228                | 2,500                 | 41.3                          | 849,541,000          | 1,872,927             |
| AG, AE, FR Parcels 10 to 20 acres                                                                                                          | 5,698                | 5,000                 | 41.3                          | 1,176,637,000        | 2,594,054             |
| AG, AE, FR Parcels over 20 acres                                                                                                           | 6,445                | 10,000                | 41.3                          | 2,661,785,000        | 5,868,262             |
|                                                                                                                                            |                      |                       |                               |                      | 10,646,457            |

The total yield of all properties located in the AG, AG and FR zones at complete buildout calculated for only outdoor cultivation using the 41.3 grams per square foot figure in a single season, is 10, 646,457 pounds which is more than 3 times the total demand for California estimated in the year 2020 as outlined in the following section. When calculations are made based on 47.8 grams per square foot, the yield increases to 12,322,049 pounds. When the project is calculated with cannabis production occurring with 1/3 outdoor, 1/3 indoor and 1/3 mixed-light on every parcel at 100% utilization, using 47.8 grams per square foot the total gross production increases to 29.0 million pounds. Even when considering a 25% loss factor for testing and other losses, the net production would still be calculated at about 21.75 million pounds. These calculations are discussed in other comments provided in different sections of the EIR.

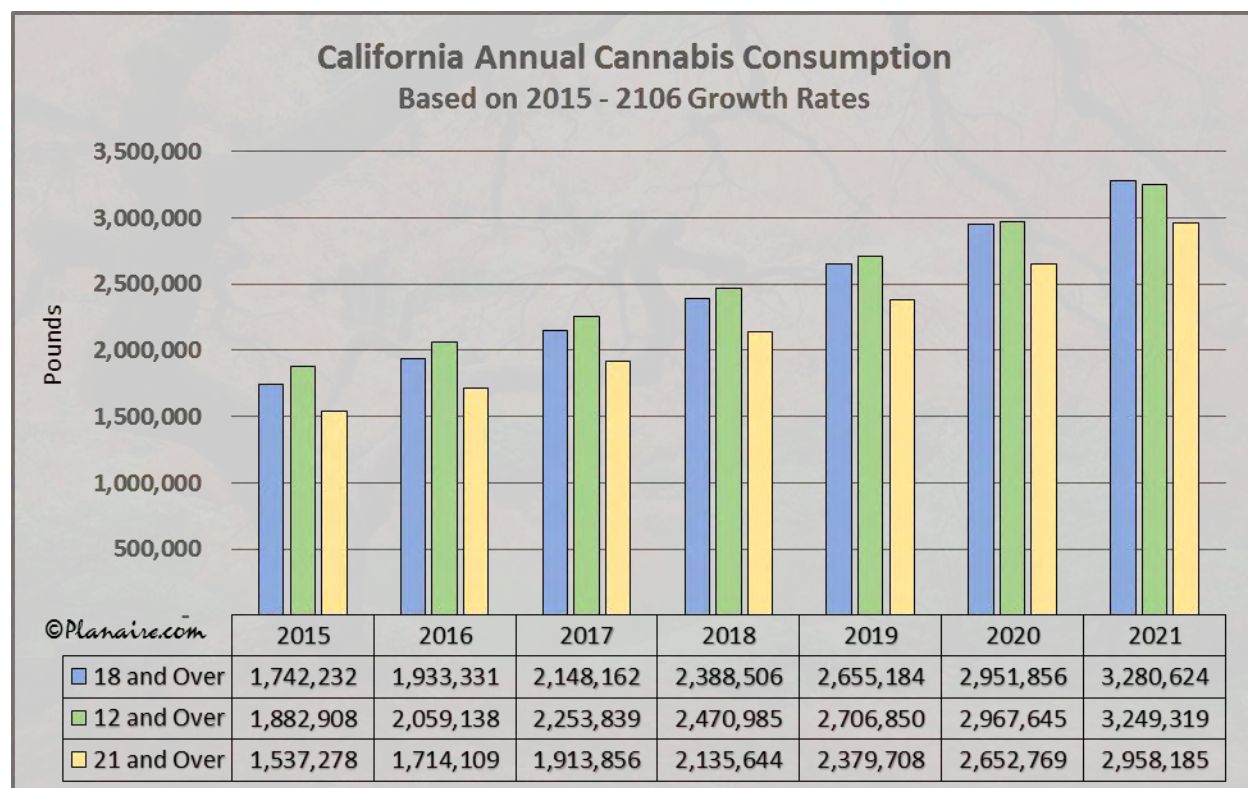
The EIR has calculated every aspect of the project at the highest possible impact level and the cannabis production figures should also be considered at the highest level for consistency. This much production for one single county is unrealistic and these forecasts should not be used to calculate the water demand or any other impact in the EIR for the Draft Ordinance. The entire state production in 2015 / 2016 was 13.5 million pounds of which about 11 million pounds was illegally exported to other states. The 2018 figures being reported has now moved the total production to about 15.5 million pounds according to recent figures. **Cannabis is still a Scheduled Drug according to the Federal Government and Production of Any Quantity of Cannabis is Prohibited.**

### The Demand for Cannabis in California:

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cont'd

In 2016 the state only consumed about 2.0 million pounds if all of the users over the age of 12 were included. By 2020 this figure is expected to increase to about 3.0 million pounds. The balance of the production is being exported to other states.

### California Annual Cannabis Consumption:



Since 1971 the US Government has conducted surveys on drug use and the most recent version is titled the National Survey on Drug Use and Health (NSDUH) and included data for 2015 and 2016. The 2018 survey is currently being conducted and results should be available in the first or second quarter of 2019.

### How Much Land is Need for Cannabis Production:

Considering that according to the National Survey on Drug Abuse figures for 2017, there was about 2.253 million pounds of consumption for users 12 and older and when the use rates were projected to 2020, consumption would increase to about 3.0 million pounds for the 12 and over population. Given that about 47.8 grams per square foot is an average yield for outdoor cultivation, about 4,590.4 gross pounds (47.8 grams x 43,560 sf / 453.59 grams per pound) could be produced from an acre (653.53 acres). When 25% crop losses are included which considers the approximate current failure rate of 20% for testing and an additional 5% for other losses, the net production rate would be about 3,442.8 pounds per acre. So  $3,000,000 / 3,442.8 = 871.38$  acres would be required to produce the states entire 2020 demand for cannabis with only outdoor cultivation.

If indoor and mixed light operations are included and represent 2/3 of the production and the outdoor cultivation was reduced to 1/3 of total production the total cultivation would increase by 233.4% ( $28.75 / 12.32 = 2.334$  or 233.4%). This calculates to about 3,442.8 pounds per acre x 2.334 which would equal about 8,035.5 net pounds per acre. So the 3,000,000 pounds in 2020 if cultivated with a combination of indoor, mixed light and outdoors could be cultivated on  $(3,000,000 / 8,035.5 \text{ pounds per acre}) = 373.34$  acres. (This assumes the indoor and mixed light operations are only producing three cycles per year. Also, the outdoor cultivation area is probably closer to 36% instead of 33.33% based on the ratio of the different Temporary Permits issued by the state). So theoretically, 374 one acre farms could supply the entire state demand in 2020. The unregulated market will of course supply at least half of the demand. Having cultivation caps on farm sizes and/or limiting the number of licenses held by a single entity may be a very important consideration for small cultivators who want to successfully operate in the regulated market. But these are considerations for the state level lawmakers, who to date, have allowed virtually unlimited canopy sizes by allowing hundreds of Temporary Cultivation permits to be issued to just a small group of entities. In 2022 the maximum canopy size increases per the state regulations.

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cont'd

(On January 22, 2019 I posted the above information for land required for cannabis cultivation using the gross area figures which totaled about 653.53 acres on the California City and County Regulation Watch – Facebook page, and have not received a single comment as of February 1, 2019. This is somewhat strange, considering that there are about 7,800 followers on that page and almost every single post has numerous comments.)

### **The Unregulated Market:**

Licensed cannabis cultivators will continue to compete with unregulated suppliers and due to the high costs associated with regulation, the transition to a fully regulated market is going to take a great deal of time. Other factors which include supplying cannabis to markets that are closed to licensed cultivators and simply the price of the product of unregulated cannabis will be a factor for many years to come.

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### **The 3,500 Existing Cultivation Sites:**

The EIR has stated that the existing cultivation sites are included in the baseline for the EIR. However, it appears that in the Table 4.16-2 all parcels are included which are located in the AG, Ae and FR zones. Are these existing sites being double counted? Many of these sites would not comply with the proposed Cultivation Ordinance and if they are abated how are their impacts accounted for in the EIR? Given that the EIR really only has a life of 10 years, maybe 15 years at maximum which would account for 700 to 1,050 new cannabis cultivations based on past growth over the life of the EIR, wouldn't an assessment be warranted which considers that during the next 15 years at

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least half of the existing cannabis sites would be abated or converted to licensed and permitted operations, and that the net impact of these conversions would not increase the use of water for the proposed project since they were already existing operations and included in the baseline?

Nevada County has about 3,500 cultivation sites, and according to the ERA study there were about 68,000 cultivation sites in the entire state. The Nevada County proportion of state cultivation sites would be  $3,500 / 68,000$  or about 5.15%. Using the 13.5 million pound production figure shown in ERA's study, the production in Nevada County could be estimated at  $13.5 \text{ million} \times 5.15\%$  or 694,852 pounds. This would equal about 23% of the entire demand for cannabis in 2020. Since Nevada County has begun the process of transitioning into a legal market, only 121 Temporary Permits have been issued in the county by the State of California compared to the approximately 10,000 total Temporary Permits being issued in the entire state.

Cultivation permits are expensive to obtain, there is a great deal of competition for both permits and market share and the overproduction of cannabis as well as the price of the product are all concerns for the cultivator.

A total buildout of commercial cannabis operations on every parcel in the county is not realistic, and projecting the project impacts of this scale of a project is not a reasonable baseline. Commercial cannabis cultivation in Nevada County should not exceed the legal consumption needs for the entire state. Exporting cannabis to other states is prohibited by state law, and the project as defined would need to export or destroy 18.75 million pounds of cannabis if all (100%) of the state's demand in the year 2020 was supplied by Nevada County, and that is after the 25% loss expected which was deducted from the gross production figure. A more realistic number of total parcels needs to be developed for determining the NCCO projects impacts for Nevada County.

### **The 6 Plants for Personal Use:**

Table 4.16-1 summarizes water use for the personal consumption. While not a major demand, these personal use plants account for some 106 acre feet according to the calculations. Nevada County did not set these plant counts and allow for these cultivations to occur. The voters decided to allow for personal consumption of these 6 plants and Proposition 64 was passed without any environmental oversight. The County has provided proposed regulations as to where these plants could be cultivated and bedrooms and kitchens are specifically prohibited as locations where individuals can cultivate cannabis. The Board of Supervisors also determined that all properties smaller than 5 acres can only cultivate indoors and that RA-Rural, RA-Estate, AG, AE, FR and TPZ may grow up to 6 plants outdoors.

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Apartment dwellers, mobile home parks and other high density projects may have a difficult cultivating 6 plants indoors as well as other properties which may not have garages or other space suitable for cultivation. Table 3.16-2 does not include any water use in the R3 zone and only 1 acre foot in the R2 zone. The R1 zone includes 3,471 parcels and it is not clear if these parcels would include Lake Wildwood, Alta Sierra and Lake of the Pines which may have other restrictions though their respective CC and R's or Homeowners Associations.

Additionally, many people do not want to grow cannabis even if they could. Cannabis cultivation requires a lot of work, some level of expertise and can be expensive indoors because of the electric costs. It is not a reasonable assumption that 26,993 people will be growing cannabis for personal use. Since the 6 plants are not counted as part of the canopy in the state cultivation license program, it would also appear reasonable that if there were 27,207 parcels growing cannabis which are shown in Table 4.16-2 in the AG, AE and FR zones, there would also be corresponding number of people cultivating cannabis for personal use. Table 3.16-1 reflects 1,785 parcels in the AG zone, 6 parcels in the AE zone and 604 parcels in the TPZ and does not include any parcels in the FR zone. This totals only 2,395 parcels.

Since these 6 plants are mandated by state law by the voters in 2016, the water use for these cultivation sites should already be included in the baseline assessment for the EIR and should not count cumulatively for the water use related to the Draft EIR for Commercial Cannabis Cultivation.

### Cannabis Production in the RA-Rural Zone

The RA-Rural zoned properties are not included in the calculations above for total commercial cannabis production. The following table represents the gross production of cannabis in the RA-Rural zone assuming that 100% of the parcels 2.0 acres or larger cultivated cannabis at the maximum canopy.

| Gross Total Cannabis Yield at Full Buidout, Project Area and Total Employees - RA-Rural Zone Only |           |             |                |                    |               |              |            |             |
|---------------------------------------------------------------------------------------------------|-----------|-------------|----------------|--------------------|---------------|--------------|------------|-------------|
| Feb. 3, 2019                                                                                      |           |             | Outdoor And    | Annual Grow Cycles |               |              | Average    | Total Gross |
| Parcel Designation                                                                                | Number of | Canopy in   | Indoor Yield   | Indoor             | Mixed-light   | Outdoor      | Pounds     | Production  |
| 100% Production                                                                                   | Parcels   | Square Feet | Grams per S.F. | 3 Grow Cycles      | 3 Grow Cycles | 1 Grow Cycle | per Parcel |             |
| RA-Rural 2 to 5 acres                                                                             | 2,169     | 500         | 47.8           | 100%               |               |              | 158.07     | 342,859     |
| RA-Rural Parcels 5 to 10 acres                                                                    | 2,558     | 2,500       | 47.8           | 33.33%             | 33.33%        | 33.33%       | 614.66     | 1,572,311   |
| RA-Rural Parcels 10 to 20 acres                                                                   | 326       | 5,000       | 47.8           | 33.33%             | 33.33%        | 33.33%       | 1229.33    | 400,761     |
| RA-Rural Parcels over 20 acres                                                                    | 367       | 10,000      | 47.8           | 33.33%             | 33.33%        | 33.33%       | 2458.66    | 902,327     |
| Project Totals                                                                                    | 5,420     |             |                |                    |               | 100%         |            | 3,218,257   |

| Project Area and Total Employees | Number of | Canopy in   | Total Square   | Area in Acres | Avg. Cultivation | Avg. Trimmers per | Total Full Time |               |
|----------------------------------|-----------|-------------|----------------|---------------|------------------|-------------------|-----------------|---------------|
|                                  | Parcels   | Square Feet | Feet of Canopy | 43,560        | Employees per    | Parcel            | Per Parcel      | Total Project |
| RA-Rural 2 to 5 acres            | 2,169     | 500         | 1,084,500      | 24.90         | 0.50             | 0.41              | 0.91            | 1,985         |
| RA-Rural Parcels 5 to 10 acres   | 2,558     | 2,500       | 6,395,000      | 146.81        | 1.17             | 1.61              | 2.78            | 7,112         |
| RA-Rural Parcels 10 to 20 acres  | 326       | 5,000       | 1,630,000      | 37.42         | 1.58             | 3.23              | 4.81            | 1,568         |
| RA-Rural Parcels over 20 acres   | 367       | 10,000      | 3,670,000      | 84.25         | 2.33             | 6.45              | 8.79            | 3,225         |
| Project Totals                   |           |             | 12,779,500     | 293.38        |                  |                   |                 | 13,889        |

Note on cannabis yields per square foot: Refer to BOTEC web page – See page 5 of 11  
[https://lcb.wa.gov/publications/Marijuana/BOTEC%20reports/5a\\_Cannabis\\_Yields-Final.pdf](https://lcb.wa.gov/publications/Marijuana/BOTEC%20reports/5a_Cannabis_Yields-Final.pdf)

Other Reference: <https://www.cannabisbusinesstimes.com/article/measuring-yield/>

Calculated yields for the entire analysis contained in these EIR comments utilized the number of 47.8 grams per square foot shown in the BOTEC Report, except where noted.

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Pages 4.12-7 and 4.12-8

While there is no formally documented data related to employment associated with the cannabis industry specifically, the State of California released a consultant study in 2017 prepared by ERA Economics that contains extensive job analysis related to cannabis cultivation. For indoor, greenhouse gas growing [a process using supplemental carbon dioxide (CO<sub>2</sub>) levels], including trimmers, the study documents a full time equivalent (FTE) level of cannabis cultivation employment at 0.88 FTE per 1,000 square feet of canopy. For outdoor cultivation, the employment rate is 0.40 FTE per 1,000 square feet of canopy. For outdoor cultivation and other cannabis activities, employment ratios widely vary based on the size and type of operation.

Should read: For indoor or greenhouse (Mixed-light) growing

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Based on these factors, and using the worst-case estimates the proposed project would be expected to require a total of 46,771 employees (one employee for every 2,500 sf of cultivation.) This number, however; would be expected to be slightly reduced because for most operations, the property owners are expected to be a part of the work force. In addition, the County estimates there are a total of 3,500 existing cultivation sites that already use employees, which would reduce the increase demand because the 3,500 would be a part of the baseline conditions. In addition, commercial cultivation could only occur on a parcel or premises with an occupied legally permitted residence, or on a vacant parcel adjacent to a parcel with an occupied legally permitted residence under common ownership and on AE, AG, and FR parcels. It is anticipated that at approximately 75% of owners would work on one of the 27,207 parcels on which cultivation would be allowed. This would reduce the demand for employees by 20,405 (75% of 27,207). This, in addition to the estimated 3,500 existing cannabis cultivation operations would reduce the total demand for employees to approximately 22,866.

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See comments above for Page 4.12-7, for a complete discussion and calculations related to the proposed projects impacts relating to projected Employee Demand,

Housing, Population Growth for commercial cannabis production on 27,207 parcels in Nevada County on AG, AE and FR zoned parcels as well as RA-Rural parcels.

In Nevada County the entire existing workforce is shown at 48,654 which include the population of 16 and over. Cannabis laws require that employees be at least 21 years old. If the growth rate was 0.4% growth the population increase would be about 400 per year which would equal about 16,800 people added to the population which would bring the total to 116,800 which is still less than 123,265 projected for the year 2060 as shown earlier in this section of the EIR. Since the growth rate projected is for 2060 is 23,265 people as shown earlier (Which may be overstated as the number appears to be closer to 16,800 based on a 0.4% growth rate) and of the total County population today being 99,155 people / 48,654 total workforce = 49.07 % of the county population age 16 and over is working, indicates that of the increased population of 23,265 (Or 16,800)  $23,265 \times 49.07\% = 11,415$  new workers would be added. Using the 16,800 number, the increase in workforce by 2060 would be 8,243 new workers over the age of 16.

As shown in comments for Pages 4.12-3, 4.12-4 and 4.12-7 above, the worker demand for cannabis cultivation depends on many factors and seasonal work as well as larger mixed light operations will increase the requirements for labor. All of these calculations could be made based on a realistic baseline assumption for future cannabis cultivation in Nevada County.

The number of parcels where cannabis could be cultivated is shown at 27,207 in the AG, AE and FR zones as the baseline for the EIR analysis. The assumption that every parcel would develop a cannabis cultivation site to the maximum limits is perhaps not a sound basis for calculating employment needs or other impacts of commercial cannabis cultivation in the county; however that is the baseline chosen for the EIR evaluation. Cannabis is not like wheat, row crops or wine. Cannabis is highly regulated and cannot be legally sold outside of California or exported to other countries. Also, cannabis flowers have a limited shelf life and cannot be stored or frozen for future sales as time degrades the crop.

The information contained in the extensive write-up and calculations which appear in the comments for 4.12-7, reflect total labor demands for the project required in two different classifications. The full time employees needed for cultivation, and the full time equivalent number of employees needed for trimming. The trimming hours are determined on the gross amount of cannabis production less any loss of the crop before trimming which was estimated at 12.5% of the gross amount of cannabis produced.

Cultivation employees totaled 37,078 for the project and are summarized as follows: This information is also included in the comments for Page 4.12-7.

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cont'd

| Calculation Alternative 1                                   |                  |                         |        |             |               |                             |                               |
|-------------------------------------------------------------|------------------|-------------------------|--------|-------------|---------------|-----------------------------|-------------------------------|
| Cultivation Only - Number of Full Time Employees per Parcel |                  |                         |        |             |               | Cultivation                 |                               |
|                                                             |                  |                         |        |             |               | Average                     | Only                          |
| Parcel Size                                                 | Cultivation Area | Total Project Number of | Indoor | Mixed Light | Outdoor       | Total Employees Per Parcel  | Number of Full Time Employees |
|                                                             | Square Feet      | Parcels                 |        |             | 1/2 Year Only |                             |                               |
| 2-5 acres                                                   | 500              | 6,836                   | 0.5    | 0           | 0             | 0.50                        | 3,418                         |
| 5-10 acres                                                  | 2,500            | 8,228                   | 1      | 1.5         | 0.5           | 1.17                        | 9,599                         |
| 10-20 acres                                                 | 5,000            | 5,698                   | 2      | 2           | 0.75          | 1.58                        | 9,022                         |
| > 20 acres                                                  | 10,000           | 6,445                   | 3      | 3           | 1             | 2.33                        | 15,038                        |
|                                                             |                  | 27,207                  |        |             |               |                             |                               |
|                                                             |                  |                         |        |             |               | Total Cultivation Employees | 37,078                        |

The number of trimming employees shown in the following table assumes a production rate of 6 hours per pound. Figures for 8 hours per pound were also calculated and are included in the comments for Page 4.12-7. The project labor requirements totaled 113,173 full time workers as also shown below.

| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                  |                         |                |                         |                                          |                                          |                      |                 |
|---------------------------------------------------------------------------------------------------------|------------------|-------------------------|----------------|-------------------------|------------------------------------------|------------------------------------------|----------------------|-----------------|
|                                                                                                         |                  |                         |                | Total Number of Hours   | Number of Full Time Equivalent Employees | Number of Full Time Equivalent Employees | Total Full Time      | Total Full Time |
| Parcel Size                                                                                             | Cultivation Area | Total Project Number of | Trimming Hours | Required for Trimming   | Total Annual Trimming Hours              | Employees Required for Trimming          | Employees Per Parcel | Employees       |
|                                                                                                         | Square Feet      | Parcels                 | Per Pound      | Per Parcel              | Trimming Hours                           |                                          |                      |                 |
|                                                                                                         |                  |                         |                |                         | 2,000                                    |                                          |                      |                 |
| 2-5 acres                                                                                               | 500              | 6,836                   | 6              | 829.88                  | 0.41                                     | 2,837                                    | 0.91                 | 6,255           |
| 5-10 acres                                                                                              | 2,500            | 8,228                   | 6              | 3,226.99                | 1.61                                     | 13,276                                   | 2.78                 | 22,875          |
| 10-20 acres                                                                                             | 5,000            | 5,698                   | 6              | 6,453.97                | 3.23                                     | 18,387                                   | 4.81                 | 27,409          |
| > 20 acres                                                                                              | 10,000           | 6,445                   | 6              | 12,907.94               | 6.45                                     | 41,596                                   | 8.79                 | 56,634          |
|                                                                                                         |                  | 27,207                  |                |                         |                                          |                                          |                      |                 |
|                                                                                                         |                  |                         |                | Trimming Employees Only |                                          | 76,096                                   | Total Project        | 113,173         |

Additionally, there are many supporting businesses which require employees which are directly tied to cannabis cultivation in the county. These include soil and cultivation suppliers, hardware stores, attorneys and professional consultants, tax preparers, bookkeepers and insurance professionals, propane suppliers, construction workers etc. These ancillary services would also expand with increased cannabis production and additional labor would be required.

Housing would be severely impacted as well as other services and a workforce of more than 110,000 new cannabis workers plus would indicate the population of the county would expand significantly as calculated and shown in comments for Page 4.12-7 above. Many of these workers may live outside the county and commute which will impact the existing state and county road system. The existing 3,500 cannabis sites is also addressed, see comments page 4.12-7. The impacts related to 27,707 cultivated sites are far higher than are described in this section of the EIR as well as many other

sections. The fundamental assessment of the number of cultivation sites is flawed and the baseline assumption needs to be amended and a more realist analysis needs to be performed on a set of realistic baseline assumptions. There is no CEQA mandate to create a “worst case scenario” project.

Finally, it is important to note that all of the calculations above and the labor figures shown in the EIR are only related to cannabis cultivation. Site preparation, mandatory reporting by the State Water Board as well as specific reporting requirements for pesticide use, manifesting and numerous other requirements of the state licensing body regarding recordkeeping in various forms, plus the track and trace system will place additional burdens on the cannabis cultivator and will significantly increase the labor requirements for each licensed cultivation site. Initial cultivation permitting and annual renewals for both the state and county will add more overhead labor requirements. Employee training, development and updating operation plans, bookkeeping and tax preparation are other activities which require additional labor.

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Page 4.12-8

*It should be noted, that based on trip generation (refer to Section 4.15: Traffic and Circulation) the proposed project was estimated to generate, approximate total of 30,705 vehicle trips, which if this is reduced by 3,500, equals 27,205 trips. The traffic estimate also was based on the assumption that under the proposed NCCO, 100% of parcels would be cultivated to the maximum sf allowable. Therefore, the estimate of approximately 22,866 employees is reasonable for the purposes of this analysis.*

The number of employees could be 113,173 under the baseline scenario and the number of trips would be substantially higher than what is shown above. Assuming only one commercial cannabis worker per household and a 2.35 average household size, the population impact for the project as defined is about 265,957 less the existing population which are currently located in the AG, AE and FR zones which contains about 9,803 occupied structures x 2.35 = 23,037 people. The project as defined would add about 242,920 people if all employees lived in Nevada County.

O-237

This figure does not include the soils and cannabis materials suppliers, hardware stores, bookkeepers, other supporting professionals or other labor required which would indirectly support commercial cannabis cultivation. In addition, most of these facilities must be built first which require even more labor, equipment and materials.

*Therefore, the estimate of approximately 22,866 employees is reasonable for the purposes of this analysis. The existing labor force in Nevada County is 48,654. The increase demand for employees from the proposed project; therefore, represents an approximate 47% increased demand on the existing workforce. Considering the current unemployment rate is approximately a 3.3% (CA EDD, 2018) or approximately 1,605*

persons who are unemployed, the increase would be substantial. However; the increase demand for employees would be moderated by a number of factors. First, the cannabis cultivation operations are expected to be phased in over time as cultivators compile information needed to complete the application process. **This would result in a yearly incremental increase of projects that would increase the demand on the workforce.**

The proposed project also is analyzed on the assumption that 100% of eligible parcels would be used for cultivation. This is done for the purpose of a thorough CEQA evaluation and ensuring that the known environmental factors are discussed, and impacts are evaluated. Therefore; the hypothetical full development or worst-case buildout scenario is used to ensure the Draft EIR fully discloses the level of potential impacts. However, in the case of the proposed project there would be numerous development constraints for many of the parcels upon which commercial cultivation could occur.

The 22,866 employees are vastly understated considering the information contained in the comments above.

A projected timeline to build out the entire project has not been discussed in the EIR. Cannabis cultivation has been conducted in Nevada County for about 50 years and given there are about 3,500 cultivation sites, the average growth rate for cannabis cultivation is about 70 new cultivation sites per year. This occurred when wholesale cannabis pricing was significantly higher than today and there was no cost for permits. Using 70 sites per year and assuming the 27,207 parcels it would take 388 years to develop all of the parcels for cannabis cultivation. Even if 350 new permits a year were issued it would require 77.7 years for project buildout. These are not reasonable time frames for an EIR evaluation of a project.

The following quote appeared in the Union, Nevada County's local newspaper on October 22, 2018 in an article by Alan Riquelmy dissing the upcoming ballot measure on local cannabis taxes:

"It allows the board to pass those things in the future," said Tina Vernon, the county's treasurer-tax collector. "This is a very flexible measure."

"This is a tax only on the cannabis industry," Vernon said.

The measure would impose a 2.5 percent tax on gross receipts each year.

**Vernon estimated some 3,500 growers operate in Nevada County. Officials think about 175 to 350 will become compliant.**

O-237  
cont'd

"Our goal is not to increase the black market," Vernon said. "Our goal is to bring people into compliance."

A project that contains 27,207 parcels, is vastly overstated considering one of the key project objectives is to accommodate existing cannabis cultivators in the county, and not necessarily create a project that would induce substantial new growth of commercial cannabis operations in Nevada County.

O-237  
cont'd

Page 4.12-9

*Based on these factors, including the staged timing of project implementation, the environmental and physical constraints to implementation of commercial cultivation in some locations; and by virtue of the proposed project itself requiring housing be in place or be constructed; it is expected that population growth would occur over a prolonged period of time and although the proposed project may induce growth beyond what would be expected without the proposed NCCO; the proposed project would not be considered to induce substantial population growth and impacts would be less than significant.*

O-238

The conclusion above, based on the impacts of more than 110,000 new full time workers is not accurate. See previous discussion in comments made for page 4.12-7. A more comprehensive evaluation of workforce requirements, both direct and indirect, needs to be evaluated for a more realistic project which does not place cannabis cultivation on every AG, AE and FR zoned parcel in the county.

*As discussed above the implementation of the proposed project would result in use of parcels within the AE, AG, and FR zones for commercial cannabis cultivation or non-remuneration cultivation activities. This could result in a maximum of 116,928,000 sf of new cultivation and result in the demand for approximately 22,866 employees, which is approximately 46% of the existing population.*

O-239

The 116,698,000 square feet of cannabis production could produce about 29.0 million gross pounds of cannabis. See comments on Page 4.12-7 which is based on the total yield for 27,207 parcels. The number of full time employees is about 113,000. These are not realistic figures to support cannabis consumption in the State of California where only 3.0 million pounds is estimated in the year 2020 for the entire state for the population of 12 and older. The historic rate of growth in the county of 70 cultivation sites per year would require 388 years to build out.

The employment figures are vastly understated for the total project size.

Page 4.12-10

O-240

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, would require registration with the enforcing officer through an administrative action. The cultivation activities of six plants for personal use in R1, R2, R3, or RA zones would be limited to indoor cultivation and would not result in the displacement of any*

O-240  
cont'd

*The registration requirement has been deleted.*

*Parcels in the RA zone over 5 acres can grow outdoors*

*As discussed above the implementation of the proposed project would result in use of parcels within the AE, AG, and FR zones for commercial cannabis cultivation or non-remuneration cultivation activities. This could result in a maximum of 116,928,000 sf of new cultivation and result in the demand for approximately 22,866 employees, which is approximately 46% of the existing population.*

*The 116,698,000 Square feet is based on 100% production on all 27,207 parcels on all AE, AG and FR parcels which has the potential of producing about 29.0 gross pounds of cannabis. The historic rate of growth in the county of 70 cultivation sites per year would require 388 years to build out the entire project.*

O-241

*The employment figures are vastly understated for the total project size and about 113,000 fulltime workers would be required for the project. See comments for Page 4.12-7 above.*

## Section 4.13 Public Services

*Page 4.13-2*

*1) at a portion of the NJUHSD extends north beyond the county boundaries into Sierra County*

O-242

*Should read: 1) a portion of the*

*Figure 4.13-2b*

*There is only a callout for the Twin Ridges School District and nothing is shown for the other two areas shaded in green on the map.*

O-243

*Page 4.13-7*

*The Department has four divisions including the Administrative Support Division, the Corrections Division, Finance Units, and Operations Division.*

O-244

Should read: The Sherriff Department

O-244  
cont'd

*This unit is responsible for investigating information regarding narcotics trafficking, the manufacturing of controlled substances and the cultivation of illegal marijuana for both indoor and outdoor grows (Nevada County, 2018).*

O-245

Should read: illegal cannabis

*While some calls are unanswered because they are vague as to the violation, other are not responded to due to...*

O-246

Should read: others are not responded to...

*CHP operates numerous programs throughout the state in various divisions based on regional locations. The programs include, cargo theft interdiction, a certified business advocate program, commercial vehicles section, impaired driver enforcement program, school bus program, and your programs.*

O-247

Should read: youth programs

Page 4.13-8

*Law Enforcement services for the incorporated Cities of Grass Valley, Nevada City, and Truckee are service by Grass Valley Police Department (GVPD),*

O-248

Should read: are serviced by

*The regulations are designed to protect the Forests and the natural environment, to ensure the health and safety of visitors, and to promote a pleasant and rewarding outdoor recreation experience for all visitors. As part of that mission issue citations, make arrests, execute search warrants, complete reports and testify in court.*

O-249

Should read: As part of that mission, LEO may issue citations, make arrests

*The PHD also provides coordination of the response to health emergencies to individual case management to primary prevention of disease and wellness promotion.*

O-250

Should read: emergencies for individual...

Figure 4.13-3 Fire Service Areas

O-251

The areas shown in brown and green on the exhibit are not reflected in the legend

Page 4.13-10

*Nevada County Consolidated Fire. Nevada County Consolidated Fire District (NCCFD) operates four of its own station (station 84, 86, 88, and 89) and three JOA (Joint XXX)*

O-252

stations (Station 1, 2, and 54). Stations 1 and 2 are jointly operated with Grass Valley and Station 54 is jointly operated with Nevada City (NCCFD, 2018a). Fire suppression equipment includes type 1 and type 2 engines, **swift water rescued**, water

O-252  
cont'd

Should read: four of its own stations    swift water rescue

Grass Valley Fire Department. The Grass Valley Fire Department (GVFD) operates out of **two fire station** (Fire Station 1 and 2).

O-253

Should read: two fire stations

Page 4.13-11

Truckee Fire Protection District. The Truckee Fire Protection District (TFPD) operates out of seven Fire Stations (Stations 92, 93, 94, 95, 96, 97, and 98). Personnel consists of 24 firefighters, 8 paid call/volunteer firefighters, 3 Inspectors, 12 Captains, a Fire Chief, 2 Division Chiefs, 3 Battalion Chiefs, and various support staff and other specialist roles. Among other equipment the department **utilizes number engines** (structure engines, reserve structure engines, brush engines

O-254

Should read: utilizes a number of engines

Nevada City Fire Department. The Nevada City Fire Department (NCFD) has a current staff of a Fire Chief, two Fire Captains and three Firefighters and responds to approximately 1,000 calls for service a year. The Departments primary station is located at 201 Providence Mine Rd. and provides 24-hour, year-round service. The Fire Department currently operates a 2005 Type I Engine, a 2011 Type III Brush Engine, and three Utility Vehicles to cover the City. **We also respond** to calls in other jurisdictions

O-255

Should read: NCFD also responds to calls

Page 4.13-15

**The Nevada County Library System the Nevada County Community Library system** consists of six library locations.

O-256

Delete duplicate words

Grass Valley Library - Royce Branch – The Grass Valley Library - Royce Branch is a wonderfully historic Carnegie library listed in the National Register of Historic Places. **Right in the heart of downtown Grass Valley, this library is full to the brim with items for every whim and need.**

O-257

Should read: The library is located in downtown Grass Valley.

Page 4.13-16

O-258

The California Building Code (Title 24, Part 2) covers all aspects of building design and required safety features **for all 1 types of buildings**, including fire

O-258  
cont'd

Should read: for all types of buildings

California Fire Code - Structures used for indoor cultivation of cannabis and cannabis-supportive uses (e.g., **manufacturing, distribution**, processing...

O-259

Manufacturing and distribution are not allowed activities under the proposed cannabis ordinance.

Page 4.13-16 and 4.13-17

Goals and Policies **that related to geology and soils included below.**

O-260

This should probably read: Goals and Policies that are related to Public Services are included below.

The Safety element also includes numerous programs related to fire safety; however, those programs are outside the scope **of this projects**, and although some of those programs or aspects of them may be applied to future cultivation projects, **they are not applicant** to the proposed project and are not discussed herein.

O-261

Should read: are outside the scope of this project,

Should read: they are not applicable to the proposed project

Page 4.13-21

Policy FP-10.11.3

O-262

The font used for this title is not consistent with the rest of the document

Page 4.13-25

According to Appendix G of the CEQA Guidelines, the proposed project would have a **significant aesthetic impact** if it would:

O-263

Should read: have a significant impact

Page 4.13-26

If such activities continue in facilities without adequate capacity or is conducted via inadequate wiring, an electrical fire could result and result in an increased demand for fire protective services and negatively affect the environment and the health and safety of other structures and people in the vicinity. **These condition as they exist now, are considered to have an adverse effect on public services.**

O-264

What measures are proposed to abate these existing illegal cultivation sites? Assuming just a few sites will covert to legal permits and obtain licenses to produce commercial cannabis, there would still be many sites remaining which could be hazardous to the surrounding neighbors or neighborhoods in the event of a fire caused by illegal wiring. There is also the concern of sites being abandoned for cultivation but not abated to remove unpermitted structures, mitigate drainage into creeks and remove illegal water diversions including existing pumps which have been placed in streams. Remedial grading and erosion control may also be required for some cultivation sites. Currently, illegal grows when or if discovered; entail only the removal of plants by law enforcement and not the complete abatement of the illegal cultivation site.

O-264  
cont'd

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration. The cultivation activities for six plants, either indoors or outdoors, could only occur on a property with a legally permitted residence and be in conformance with all applicable building requirements. Therefore, verification of proper permitting would ensure the structures on these cultivation sites would be properly constructed and have obtained proper electrical permits so that the risk of fire resulting from improper construction and subsequent loss, injury, or death from fire are minimized.*

O-265

The registration requirement has been deleted.

There is no verification process for six plants.

Page 4.13-27

*Similar to fire protection services, the current illegal cultivation activities have resulted in complaints to law enforcement and resulted in the demand for investigations related to the illegal activities. According to the NCSD the vast majority of cannabis grows are out of compliance. On average, the NCSD receives approximately 200-300 calls for service, some of which go unanswered due to the vague nature of the complaints and some because of the volume of calls, and inability to access the sites. The majority of the cultivation activities occur in areas remote areas with sparse populations making it difficult to reach some areas. Most of the calls for service focus on violations related to the cultivation of excessive plants, violations related to electricity and water use, as well as living conditions. The NCSD also has noted illegal grading and tree removal resulting in environmental damage. The Sheriff's department estimates that they are able to address less than 10 percent of the problem.*

O-266

Define NCSD

Are the 200-300 calls for service received for an entire year?

If the Sheriff Department only estimates that they respond to about 10% of the calls received, that would indicate that only 20 or 30 cultivation sites are visited in a year if the 200-300 calls are annually placed.

With 3,500 cultivation sites, less than 1% of the sites in the county are being visited by law enforcement. There is not much chance that an illegal cultivation would ever be visited by the Sheriff and thus there is very little incentive to abandon unregulated cultivation sites.

The state has been collecting license fees, tax and also collects substantial fees on every ounce of cannabis produced in the regulated market. In 2019 the state will start distributing this money to law enforcement in counties and cities that have adopted cannabis ordinances which is many millions of dollars according to recent report. Cities and counties that have not adopted cannabis ordinances allowing for cultivation or distribution are not eligible to receive any of these state funds. Additionally, the voters passed a local cannabis tax this past November which would also provide additional funds for inspection, abatement of illegal cannabis sites and provide funds for other law enforcement to respond to complaints.

Preventing and abating environmental impacts from illegal cannabis cultivation has been one of the key elements of the overall plan to legalize cannabis in the state. Abatement of unregulated cannabis operations begins with code enforcement, followed by law enforcement. The State Water Board has regulatory power to enforce requirements relating to protection of streams and wildlife. The fire departments also have some regulatory responsibility relating to hazards which could endanger the public. All of these resources could be organized cooperatively to respond to complaints, conduct inspections and require the abatement of unlicensed cannabis cultivation within Nevada County. Since the Forest Service operates only on Federal land, additional resources for local abatement activities from the Federal government would generally not be forthcoming unless the DEA or other branch was responding to complaints which typically are only very large grows.

Unregulated cannabis production has to potential to damage the environment and is a significant problem for developing a successful regulated market in the state.

*Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration. The cultivation activities for six plants, either indoors or outdoors, could only occur on a property with a legally permitted residence and be in conformance with all applicable building requirements. Therefore, verification of proper permitting would ensure the cultivation sites conform to all requirements enforceable by the Sheriff's Department.*

O-266  
cont'd

O-267

The requirement to register 6 plants has been deleted.

There is no verification process for 6 plants for personal use.

Also, all commercial cultivation canopy areas are required to be screening by either vegetation or fencing from public view. This would reduce the visibility of cultivation sites making them less recognizable

The solid screen fence was discussed by the Board of Supervisors in May 2018 and the need for a solid screen fence was deleted. The solid screen fence appears to attract more attention to the cultivation site. Security fencing is still required.

Page 4.13-28

Therefore, based on the listed circumstances an initial punctuated increase of commercial cultivation sites over the existing baseline conditions is not expected, and would not significantly increase demand on police protection services.

What is “an initial punctuated increase”?

The NCCO requires that the edge of all cultivation areas not be located closer than 1,000 feet from the nearest school, bus stop, youth-oriented facility, or child oriented sensitive site.

State law says 600’ setback from a school for cannabis businesses

Pages 4.13-28 and 4.13-29

Personal use cultivation would be limited to a total of six plants, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration. The cultivation activities for six plants, either indoors or outdoors, could only occur on a property with a legally permitted residence and be in conformance with all applicable building requirements. Therefore, verification of proper permitting would ensure the cultivation sites conform to all requirements enforceable by the Sheriff’s Department.

The requirement to register 6 plants has been deleted.

There is no verification process for 6 plants for personal use.

## Section 4.14 Recreation

Page 4.14-1

O-267  
cont'd

O-268

O-269

O-270

O-271

O-272

There are **four separate** Recreation and Parks Districts area within Nevada County (County. These include Bear River, Oak Tree, and Western Gateway Recreation and Park Districts in western Nevada County and Truckee Donner Recreation and Park District in eastern Nevada County. Figure 4.14-1: Nevada County Recreational Districts shows these areas.

O-272  
cont'd

This should read: three separate

Page 4.14-2

**These areas affected by the study** are primarily located in and around the cities of Grass Valley and Nevada City and the town of Truckee but fees collected by the County also are passed to districts such as the Bear River and Western Gateway for their expenditures consistent with their respective approved Capital Improvement Programs (CIPs).

O-273

Should read: The areas affected by the study

The County is currently analyzing the appropriate fees and is updating the Nexus Study to identity **the fee's that should be charged**.

O-274

Fees that should be charged to who and for what?

The Bureau of Land Management manages approximately **11,000 acres of land in Nevada County. These areas cover a total of 294 square miles (or 30%)** of the County's 978 square miles.

O-275

11,000 acres is 17.18 square miles not 294 and would cover 1.76% of the County's 978 square miles.

Page 4.14-5

**Fee charged** on new development to mitigate its impact on the need for new facilities.

O-276

Should read: Fees charged

Local ordinances must now include definite standards for determine the **proportion of the subdivision to be dedicated** and the amount of the fee to be paid.

O-277

proportion of the subdivision to be dedicated for what purpose and to whom?

Page 4.14-8

Policy 6.4 Protect areas supporting renewable natural resources from incompatible or disruptive development or land uses through very low density General Plan designation.

O-278

*High site and public timber* resources shall be designated for forest uses at the 160-acre minimum parcel size or greater, except for areas of fragmented parcelization.

O-278  
cont'd

Should read: High value sites and public timber resources

Page 4.14-10

*However, cannabis related development that could occur as a result of the proposed project has the potential to indirectly result in population growth from increase employment demand and direct growth from people moving to the County. This could result in a potential associated increase on recreational facilities.*

Growth figures for housing, water use and employment shown in other sections of this EIR, speculate on growth that would result from cannabis cultivation occurring on every single parcel zone AG, AE and FR in Nevada County. If these growth projections remain in the EIR, significant impacts should be expected on the recreation and park system as well as schools and other public services. See comments for Page 4.12-7 for projected cannabis employees, housing requirements and total projected population growth.

O-279

## Section 4.15 Transportation and Traffic

Page 4-15-2

*State Route 49 is the only north-south highway connecting the western portion of the County to the Sacramento region. Consequently, it is heavily travelled by commuters. Other than a four-lane freeway section between Nevada City and Grass Valley, it is a two-lane highway with many local access points (Caltrans TCR 2017).*

Highway 49 has segments at Alta Sierra, Lime Kiln Road and Combie Roads which are four lane segments.

O-280

Table 4.15-1

The table shows State Highway 49 starting at Placer County line and ending in Grass Valley. Highway 49 extends north through Nevada City and continues through North San Juan and on into Sierra County.

Page 4.15-6

*Development impact fees provide a revenue source for roadway improvements to serve future growth. However, because such fees are not available for solving existing deficiencies, potential funding of improvements to address the existing deficiencies will*

O-281

*need to rely heavily upon local sources, which are already committed to existing programs.*

New developments are often required to widen roads and improve intersections to both mitigate existing traffic congestion as well as provide improvements as a result of impacts from the development.

*It should be noted that these traffic volumes include cannabis operations that were in existence in 2016. As stated in the Nevada County General Plan, Policies LU-4.1.1 and LU-4.1.2, the minimum level of service (LOS) **LOS C for Rural Regions**.*

Should read: LOS C has been established for Rural Regions.

*Pages 4.15-7 and 4.15-8*

The Roadways maps are missing in the EIR

*Page 4.15-12*

It is interesting to note that only one highway segment, Sutton Way South of Brunswick, has a level of service of F in the entire county.

*Page 4-15-14*

Table 4-15-5 includes information on Future Traffic Conditions for Western Nevada County and there is no table for Eastern Nevada County provided.

*Page 4.15-17*

**TCRs have been** completed by Caltrans for the state highway system serving the County.

Define TCRs

*Page 4.15-18*

Caltrans' five-year **ITIP is prepared** pursuant to Government Code 14526, Streets and Highways Code Section 164, and the California Transportation Commission's STIP Guidelines.

Define ITIP

The NCTC which is the designated **Regional Transportation Planning Agency** for Nevada County, is required by California law to prepare, adopt, and submit an updated RTP to Caltrans and the CTC every five years.

Should read: Regional Transportation Planning Agency (RTP) for Nevada County

O-281  
cont'd

O-282

O-283

O-284

O-285

O-286

O-287

O-288

Page 4.15-25

For example, an operation that grows cannabis to flower, and then only cuts and dries the cannabis, would require a less substantial workforce than a site which then processes, sorts, and packages the cannabis for off-site sales. The proposed NCCO would allow for indoor, mixeduse, and outdoor cultivation. However, under the proposed project, there would be no processing permitted. Cultivator could grow the cannabis, make an initial cutting and then dry. The cannabis would then be required to be shipped off-site for all additional, labor intensive, processing.

The cultivation permits issued by the state allow the license holder to cultivate, dry and trim cannabis at the cultivation site. Further processing would require a manufacturing license which is not permitted in Nevada County. Packaging would only occur after a cannabis product was laboratory tested which cannot be performed under the cultivation license. Bulk cannabis after trimming would be transferred to a distributor license holder who has the responsibility of collecting state taxes from the cultivator and having the product tested before sale and packaging for a retailer or sale to a manufacturer.

The word mixeduse should be mixed-use

Traffic from cultivation activities would just be seasonal for outdoor cultivation sites or could be year-round for indoor and mixed light cultivation sites. Trimming is seasonal for outdoor production but could be nearly year-round for indoor and mixed-light operations depending on the grow cycles established by the license holders.

Page 4.15-26

*For analysis at the programmatic level, estimates of likely traffic increase are based on the conservative assumption that all parcels of land (2,684 acres) that are available for cannabis cultivation would be used for cannabis cultivation.*

The figure of 2,684 acres would allow up to 29.0 million gross pounds of cannabis production and would require more than 113,000 new workers. See page 4.12-7 comments.

Please refer to the comments for Pages 4.8-33 and 4.8-34 for water use as well as Pages 4.16-15 through 4.16-22.

The 116,928,000 sf or 4.2 square miles of cannabis as presented in the paragraph above also increases the total population base. See page 4.12-7 for additional comments on housing needs, population growth and full time work force requirements for the proposed project.

O-289

O-290

Considering that according to the National Survey on Drug Abuse (NSDA) figures for 2017, there was about 2.253 million pounds of consumption for users 12 and older and when the use rates were projected to 2020, consumption would increase to about 3.0 million pounds for the 12 and over population. Given that about 47.8 grams per square foot is an average yield for outdoor cultivation, about 4,590.4 pounds ( $47.8 \text{ grams} \times 43,560 \text{ sf} / 453.59 \text{ grams per pound}$ ) could be produced from an acre, so  $3,000,000 / 4,590 = 653.5$  acres would be required to produce the entire state's demand with outdoor cultivation. If indoor and mixed light operations replaced outdoors and only produced three crops per year in the same square footage (Which is a low estimate), the total acreage required would be 217 acres. So theoretically, 217 one acre farms could supply the entire state demand in 2020. The unregulated market will of course supply at least half of the demand. Having cultivation caps on farm sizes and/or limiting the number of licenses held by a single entity may be a very important consideration for small cultivators who want to successfully operate in the regulated market.

Given that the total state demand of cannabis for 2020 could be harvested on 653.5 acres in permitted outdoor cultivation sites (a square mile being 640 acres), presenting a finding that Nevada County could cultivate four times the total amount of state consumption is unrealistic. In addition, a high number of licenses are being issued for mixed-light cultivation which on average would produce at least three times the yields as outdoors.

Nevada County has about 3,500 cultivation sites, and according to the ERA study there were about 68,000 cultivation sites in the entire state, with an average cultivation site producing 198 pounds each. The Nevada County proportion of state cultivation sites would be  $3,500 / 68,000$  or about 5.15%. Using the 13.5 million pound production figure shown in ERA's 2016/2017 study, the past production in Nevada County could be estimated at  $13.5 \text{ million} \times 5.15\%$  or 694,852 pounds using the historic figures. This would equal about 23% of the entire projected California state's demand for cannabis in 2020. The average production rate per parcel based on the calculation performed, which include the indoor, mixed-light and outdoor cultivation areas for all 27,207 parcels, equal 1,065.49 gross pounds per parcel. This is 5.38 times the historic average production rate of 198 pounds per parcel. Using the updated production rate figures, only  $(3,500 / 5.38) = 650.55$  parcels would be required to produce the 694,852 pounds in 2016/2017.

Since Nevada County has begun the process of transitioning into a legal market, only 121 Temporary Permits have been issued in the county by the State of California compared to the approximately 10,000 total Temporary Permits being issued in the entire state.

O-290  
cont'd

Cultivation permits are expensive to obtain, there is a great deal of competition for both permits and market share and the overproduction of cannabis as well as the price of the product are all concerns for the cultivator.

Presenting findings that reflect that a total buildout of cannabis would or could occur on every parcel in the county is not realistic and is overstating the project since these quantiles of cannabis production would never be allowed. Cannabis export to other states is prohibited by both Federal and State laws. More realistic numbers need to be developed for determining the NCCO projects impacts for Nevada County.

O-290  
cont'd

#### Comment for Page 4.12-8

The yearly increase of projects has not been shown. Cannabis cultivation has been conducted in Nevada County for about 50 years and given there are about 3,500 cultivation sites, the average growth rate for cannabis cultivation is about 70 new cultivation sites per year. This occurred when pricing was significant than today and there was no cost of permits. Using 70 sites per year and assuming the 27,207 parcels it would take 388 years to develop all of the parcels for cannabis cultivation. This is not a reasonable time frame for an EIR evaluation of a project.

#### Comment for Page 4.12-10

*This could result in a maximum of 116,928,000 sf of new cultivation and result in the demand for approximately 22,866 employees, which is approximately 46% of the existing population.*

O-291

The 116,698,000 square feet of cultivation area would allow for the production of about 29.0 million gross pounds of cannabis. The demand for employees is about 113,000, see complete write-up on these figures in the comments on page 4.2-7. Full development on all AE, AG and FR parcels which at the historic rate of growth in the county of 70 cultivation sites per year, would require 388 years to build out.

#### Page 4.15-26

Table 4.15-7 indicates that 30,705 additional trips could be added to the network in the 100-percent buildout scenario. In addition, an increase of 153,525 daily countywide VMT (4.9% of the County's total VMT) would be generated by the proposed project were cannabis cultivation to occur on every available parcel at the allowable canopy densities.

O-292

Far more than 30,705 trips would be generated if there were 113,000 people employed at the cannabis cultivation facilities in the county. See comments on page 4.12-7 for employment, housing and total population growth calculated for the project at build-out using 29.0 million gross pounds of production. Additional trips would also be generated

by significant increases for supporting services such as suppliers, professional services, hardware stores and soils deliveries, to name just a few.

If 70 new cannabis operations were added each year, which has been the historic average in Nevada County, it would require 388 years too fully buildout every single parcel referenced in this EIR. It would require 50 years to convert the existing cultivation sites to licensed facilities at a rate of 70 per year. Since only 121 sites have even applied for temporary permits, there is a very small backlog of projects to contend with and some projects that have obtained temporary licenses will not be able to comply with all of the requirements for annual permits or may not be able to afford the costly and complex permit process. But hopefully, in 388 years we won't be using cars anyway.

O-292  
cont'd

*As noted in Section 4.12, Population and Housing, commercial cultivation could only occur on a parcel or premises with an occupied legally permitted residence, or on a vacant parcel adjacent to a parcel with an occupied legally permitted residence under common ownership and on AE, AG, and FR parcels. The proposed project also is analyzed on the assumption that 100% of eligible parcels would be used for cultivation.*

O-293

The assumption that all eligible parcels would be used for cultivation is not realistic, See comments above for Pages 4.15-26 and Page 4.12-7 for additional information and detailed calculations.

4.15-27

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, would require registration with the enforcing officer through an administrative action. The cultivation activities of six plants for personal use in R1, R2, R3, or RA zones would be limited to indoor cultivation and the requirements to grow the six plants would not result in a substantial number of vehicle trips such that a conflict with an Applicable Plan,*

O-294

The registration requirement has been deleted.

In the RA zone, parcels 5 acres or larger can cultivate cannabis outdoors.

*Payment of RTMF and LTMF, as applicable would be collected as part of this review. The fee would be based on the total number of trips anticipated based on the CCP application.*

O-295

Define RTMF and LTMF

*Cannabis cultivation for commercial or non-remuneration, would require processing of an Administrative Development Permit (ADP). An ADP could be used for cultivation*

O-296

*activities from 2,500 sf to 10,000 sf. Of canopy which is the maximum allowed under the proposed NCCO.*

*Should read: Cannabis cultivation for commercial or non-remuneration, would require processing of an Administrative Development Permit (ADP) for cultivation activities from 2,500 sf to 10,000 sf. of canopy which is the maximum allowed under the proposed NCCO.*

O-296  
cont'd

*Payment of RTMF and LTMF, as applicable would be collected as part of this review.*

*There is no provision in the Draft Ordinance which requires the payment of these fees.*

O-297

*Page 4.15-28*

*Due to the potential for the proposed project to contribute an additional 30,705 vehicle trips to location and regional roadways, there is a high likelihood that LOS standards and associated goals, policies, and objectives related to traffic service standards local, regional, and highways would make existing unacceptable LOS conditions worse.*

*Far more than 30,705 trips would be generated if there were 113,000 people employed at the cannabis cultivation facilities in the county. See comments on page 4.12-7 for employment, housing and total population growth calculated for the project at build-out using 29.0 million gross pounds of production. Additional trips would also be generated by significant increases for supporting services such as suppliers, professional services, hardware stores and soils deliveries, to name just a few.*

*If 70 new cannabis operations were added each year, which has been the historic average in Nevada County, it would require 388 years to fully buildout every single parcel referenced in this EIR. It would require 50 years to convert the existing cultivation sites to licensed facilities at a rate of 70 per year. Since only 121 sites have even applied for temporary permits, there is a very small backlog of projects to contend with and some projects that have obtained temporary licenses will not be able to comply with all of the requirements for annual permits or may not be able to afford the costly and complex permit process. But hopefully, in 388 years we won't be using cars anyway.*

*More specific to alternative transportation, approval of a commercial cannabis cultivation permit, would require applicants to include the following information related to alternative transportation.*

- Estimate of the number of employees/residents, and estimate of transportation demand created by the project;*
- Identification of potential alternatives to automobile use (i.e. public transportation, bicycles, carpooling or bussing); and*

O-298

O-299

- Proposal to include one or more measures to the proposed project.

O-299  
cont'd

The draft ordinance does not include these requirements.

Other than the payment of fees, **no additional feasible mitigation** has been identified that could be implemented on an application by application basis that would reduce these impacts to less than significant. **Therefore, traffic impacts in this regard impacts would be significant and unavoidable.**

The baseline assumptions of cannabis cultivation used for the project included 27,207 parcels and the full impacts of commercial cannabis production of 29.0 million gross pounds of cannabis projection needs to be evaluated. Many sections of the EIR need to be revised to accurately reflect the total amount of cannabis produced, the number of employees required to support full cultivation, the number of additional housing units required to support the full project and the total size of the market for cannabis and what share of that market could be supplied by Nevada County and reasonable numbers of cultivation sites that would be added each year.

O-300

Page 5.15-29

As previously discussed, the County would collect a Transportation Mitigation Impact Fee and a Local Traffic Mitigation Fee.

O-300

There is no impact fee discussed in the draft ordinance.

**For project located** in Zone 2 (the eastern portion of the County), only a RTMF would be collected.

O-301

Should read: For projects located

4.15-30

Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, and would **require registration with** the enforcing officer, and through an administrative action, **obtain proof of registration.**

O-302

The registration requirement has been deleted.

**Payment of RTMF and LTMF**, as applicable would be collected as part of this review. The fee would be based on the total number of trips anticipated based on the CCP application. Factors such as canopy size, accessory structures, and type of grow (i.e., outdoor, indoor, mixed light) would be factor in determining the traffic mitigation fee.

O-303

There is no provision in the Draft Ordinance which requires the payment of these fees.

*Implementation of the development impact fees would reduce impacts to County transportation facilities.*

O-304

There is no provision in the Draft Ordinance which requires the payment of these fees.

Page 4.15-31

*There is no mitigation that could be implemented that would further reduce these impacts. Therefore, some impacts would be significant and unavoidable.*

The baseline assumption for the project which included 27,207 parcels needs to be revised. This many parcels could generate 29.0 million pounds of gross cannabis production in Nevada County. The resulting workforce and housing needed is completely underestimated in the draft EIR. Refer to comments on Page 4.12-7 above. The total size of the market for cannabis has not been reviewed in the EIR, but since the cannabis product itself is highly regulated and listed as dangerous drug at the Federal level, some consideration should be given to amount of cannabis that would expected to be produced from the project, and where this amount of cannabis production would be consumed.

O-305

*The County does not anticipate, as part of the proposed project, that any new structures or accessory buildings would be tall enough to violate height restrictions or present a hazard to flights and aircraft at either public or private airports. Secondly, the proposed project does not propose any new development that would result in or attract a substantial number of new residents within the County or in proximity to airports. of all sizes*

O-306

Delete the words of all sizes.

Page 4.15-32

*Similar to future construction activities, future cannabis cultivation activities would require the use of general farm equipment and delivery of equipment and supplies.*

O-307

Cannabis cultivation is not like regular agriculture and typically does not use regular farm equipment.

Page 4.15-33

*All existing and future commercial cannabis cultivation operations that apply for an ADP would be required to comply with all existing County and state codes related to fire safety.*

O-308

Should read: that apply for a CCP or ADP

Prior to approval of a CCP or ADP, applicants pursuing a new cultivation site are required to demonstrate that **adequate secondary access** is provided onsite as required by the NCCO. This requirement may be waived if the fire authority having jurisdiction approve an exemption.

This requirement is not included in the draft cannabis ordinance.

Page 4.15-34

As discussed in Impact 4.15-1 above, part of the CCP and ADP review process, **all existing and future projects applying for a commercial cannabis permit, would be required to include the following information related to alternative transportation:**

- Estimate of the number of employees/residents, and estimate of transportation demand created by the project;
- Identification of potential alternatives to automobile use (i.e. public transportation, bicycles, carpooling or bussing); and
- Proposal to include one or more measures to the proposed project.

These requirements are not included in the draft cannabis ordinance.

O-309

## Section 4.16 Utilities and Service Systems

Page 4.16-1

Three of these zones would be affected by the proposed project: Lake of the Pines, Penn Valley, and Lake Wildwood Zones. **None of the sites are currently served by sewer** but are near existing sewer lines or can be reached through the extension of existing sewer lines.

None of which sites are currently served?

As noted in the Nevada County General Plan, in 2008, the Lake of the Pines Wastewater Treatment Plan was expanded...

Should read: Treatment Plant

Page 4.16-2

The Tahoe-Truckee Sanitation Agency (TTSA) was created in 1972 to provide wastewater treatment services for the Truckee area as well as portions of Placer County, **including north and west shores** of Lake Tahoe...

O-310

O-311

O-312

Should read: including the north and west shores

O-312  
cont'd

Page 4.16-3

*The Eastern Regional Landfill is located at 900 Cabin Creek Road southeast of Truckee. The Eastern Regional Landfill accepts mixed loads of Construction and Demolition debris for **processing over a sort line** (Town of Truckee, 2008a).*

O-313

What is meant by the term over a sort line?

Page 4.16-4

*Altogether, the district supplies **irrigation water to 24 connections. serves 20 to 22 irrigation customers,** with approximately 19.6 million gallons of water are delivered per year.*

O-314

Should read: irrigation water to 24 connections which serve 20 to 22 irrigation customers.

Page 4.16-6

*For use of a private well and septic system, County Ordinance requires a minimum of 3 acres per parcel. For areas supplied by a water purveyor, 1.5 acres is required.*

O-315

There are many lots which are 2 acres in size that are using private wells and septic systems. Do existing lots of 2 acres without houses currently constructed have an exception to build private wells and septic systems?

Based upon current withdrawals of **about 2,412 million gallons per there,** there is over 65 years' worth of water supply even with zero recharge of the groundwater basin (TDPUD, 2015).

O-316

Should read: about 2,412 million gallons per year

Page 4.16-11

Policy 3.19C For all discretionary projects, the County shall require that maintenance of all onsite drainage facilities and all offsite facilities constructed as part of the project is assured through a permanent, legally-enforceable mechanism such as, but not limited to, a CSA or CSD.

O-317

How will this policy be implemented for cannabis cultivation?

Page 4.16-12

Policy 11.6A New development shall minimize the discharge of pollutants into surface water drainages by providing the following improvements or similar methods which provide equal or greater runoff control: (a) include curbs and gutters on arterials,

O-318

collectors, and local roads consistent with adopted urban street designs; and (b) oil, grease, and silt traps for subdivisions creating 5 or more parcels and commercial and industrial development of 1 acre or greater size. Maintenance of such facilities shall be assured through a legally enforceable mechanism.

O-319  
cont'd

How will this policy be implemented for cannabis cultivation?

Page 4.16-13

Section 3.0 Project Description discusses the Comprehensive Development Standards found in Article 4 Comprehensive Site Development Standards and defined in Division 4.3 Resource Standards. In part, the purpose of the development standards is to avoid the impact of development projects on sensitive environmental resources and natural site constraints. The following discusses *those standards applicable to energy conservation*.

O-320

This section of the EIR is dealing with water, wastewater and solid waste

Page 4.16-13

Future cultivation activities under the proposed project could result in increased wastewater service demand for public wastewater systems. Cannabis requires high quantities of irrigation water and excess wastewater could be discharged to municipal wastewater systems. However, many of the existing cultivation areas utilize an existing onsite wastewater treatment system such as a septic system and would not require the use of off-site treatment. In addition, most cultivation would occur on properties with established residences that if not *using OWTS*, would already be using and not increase the demand for wastewater treatment such that new facilities would be needed. Typical runoff would come from outdoor cultivation sites and disposal of wastewater with contaminants such as sediments, chemicals, and trash.

Nevada County requires all commercial cannabis operations only be conducted with permits and cultivation may only occur on parcels with a legal dwelling unit.

O-321

What does the term OWTS mean?

Site runoff is regulated by the State Water Board which includes strict design, management and reporting requirements for all wastewater discharge from approved cannabis cultivation sites. Trash and all solid waste are required to be placed in appropriate containers or areas designated on the site plan and are subject to the waste management plans each site must prepare to obtain a cannabis cultivation license from the State of California.

Page 4.16-14 (located in 2 places on this page)

O-322

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, and would require registration with the enforcing officer through an administrative action.*

O-322  
cont'd

The requirement for registration has been deleted

Page 4.16-17

*As a County-wide ordinance, water service or water supply would come from different sources depending on where in the County an individual parcel is located. For example, most parcels in the western portion of the County would likely be serviced by NID.*

While many parcels are served by NID in the western portion of the county, NID water is not available year round in many locations. Well water is generally used in the months not serviced by NID. In additional, during the irrigation season NID adds weed killers and other toxic chemicals to the water to control algae which are not compatible with cannabis cultivation. On these days (about once a month) cannabis cultivators generally resort to well water or other sources of irrigation.

O-323

The data in Table 4.16-3 needs to be revised as and water use rates are not accurate. Please refer to the comments on Page 4.8-34 and Page 48-34 above.

The data and text along with the assumptions and potential impacts and findings contained in pages 4.16-17 through page 4.16-22 require revision to correct the assumptions made on water use per parcel.

Pages 4.16- 15 through 4.16-22

Comments for these pages have been included in Section 4.8 and are combined with the comments for Pages 4.8-33 and 4.8-34

O-324

Page 4-16.22

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, would require registration with the enforcing officer through an administrative action. The cultivation activities of six plants for personal use in R1, R2, R3, or RA zones would be limited to indoor cultivation and would be required to prepare a materials management program as part of their cultivation and operation plans for existing and future cannabis operations that describes a description of the activities on site, detailed standard operations procedures, cleaning procedures and disposal methods as part of clearance and permit requirements.*

O-325

The requirements for registration have been deleted.

There is no requirement which requires a materials management program, operational plan or other requirements listed in this paragraph for personal cultivation of 6 plants for personal use contained in the Draft Ordinance.

O-325  
cont'd

Page 4.16-23

*According to the Nevada County General Plan, none of the service providers appear to have significant capacity in existing facilities to accommodate additional development except for Tahoe-Truckee Sanitation District. Although most of the reported deficiencies were in staff or equipment, rather than facilities or sites, future abilities to provide adequate levels of service would also involve needs for expanded facilities and new sites.*

Commercial cannabis operators generate little solid waste from the cultivation operations which are generally limited some packaging and empty plastic bottle from nutrients. Soil is most often delivered in bulk which eliminates much plastic from soil bags. The Plants themselves are composted after harvest or require shipment to specialized landfills outside of Nevada County. Since the cost of cannabis vegetation disposal is high as well as regulated and can only be accepted by certain facilities and cannabis material cannot be burned onsite, growers will typically shred woody materials in a chipper and compost these materials along with the leaves and utilize the resulting compost in teas which are applied to growing cannabis. The uses of compost teas also have many benefits for the plants health and are commonly used reduce pest infestations of various types.

O-326

Page 4.16-23

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, would require registration with the enforcing officer through an administrative action. The cultivation activities of six plants for personal use in R1, R2, R3, or RA zones would be limited to indoor cultivation and would be required to prepare a solid waste management plan as part of their cultivation and operation plans for existing and future cannabis operations that describes how solid waste would be disposed of as part of clearance and permit requirements.*

O-327

The requirements for registration have been deleted.

There is no requirement which requires a materials management program, operational plan or other requirements listed in this paragraph for personal cultivation of 6 plants for personal use contained in the Draft Ordinance.

Page 4.16-24

Implementation of the proposed project would generate solid waste during operation of commercial cannabis cultivation sites and manufacturing operations. As discussed in Section 4.16.1, Environmental Setting, all solid waste is hauled off to out-of-County landfills under the contract with Waste Management. Solid waste and green waste is taken to the McCourtney Road Transfer Station & Recycling Center in Grass Valley.

Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, would **require registration with the enforcing officer through an administrative action**. The cultivation activities of six plants for personal use in R1, R2, R3, or RA zones would be limited to indoor cultivation and would be **required to prepare a solid waste management plan as part of their cultivation and operation plans for existing and future cannabis operations that describes how solid waste would be disposed of as part of clearance and permit requirements**.

O-328

The font for the entire section above does not match the rest of the EIR document.

The requirements for registration have been deleted.

There is no requirement which requires a materials management program, operational plan or other requirements listed in this paragraph for personal cultivation of 6 plants for personal use contained in the Draft Ordinance.

The last sentence starting with the word "Therefore", is using a font which is not consistent with the rest of the document.

## Section 4.17 Energy

Page 4.17-1

This section describes the affected environment and regulatory **setting energy use** and was prepared pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15126 and Appendix C of the State CEQA Guidelines.

Should read: regulatory setting for energy use

In addition, **project is expected** to utilize some vehicles during construction and during operation of project for transportation of both site personnel as well **as materials such needed** for cultivation and transportation of cannabis.

O-329

Should read: the project is expected

Should read: as well as materials needed for cultivation

The transmission lines are operated by California Independent System Operators, CALISO. In 2017, according to the California Energy Commission, total energy usage for Nevada County was 750.441659 Million of kWh (GWh) [California Energy Commission (CEC), 2017], which was an increase of approximately percent from 2016 when total energy consumption was 661.054476 (CEC, 2016).

O-330

Should read: 750.441659 Million kWh (GWh)

Should read: an increase of approximately 9% percent from 2016

Page 4.17-3

Within Nevada County for 2017, approximately 20.515696 millions therms were used an approximate increase of 9% compared to 2016, when approximate 18.786564 million therms were used.

O-331

Should read: million

It is probably not necessary to show these numbers out to 6 decimal places. Two decimal places should be adequate in most cases.

Page 4.17-5

Pursuant to Assembly Bill (AB) 2076 (Chapter 936, Statutes of 2000), CEC and the California Air Resources Board (CARB) prepared and adopted a joint agency report in 2003, Reducing California's Petroleum Dependence. Included in this report are recommendations to increase the use of alternative fuels to 20 percent of on-road transportation fuel use by 2020 and 30 percent by 2030, significantly increase the efficiency of motor vehicles, and reduce per capita VMT.

O-332

What is per capita VMT?

Signed into law on October 7, 2015, SB 350 implements the goals of Executive Order B-30-15. The objectives of SB 350 are to increase the procurement of electricity from renewable sources from 33 percent to 50 percent (with interim targets of 40 percent by 2024, and 25 percent by 2027) and to double the energy efficiency savings in electricity and natural gas final end uses of retail customers through energy efficiency and conservation.

Should read: with (interim targets of 40 percent by 2024, and 45 percent by 2027)

O-333

These renewable power targets would significantly reduce the demand for grid powered electric service when a customer is producing power onsite. New construction requires solar panels for every house built. The above reductions of grid delivered electricity have not been included in the analysis for electric use in this section of the EIR and the results

presented overstate the amount of power being projected for the projected to be supplied from the traditional electric grid.

O-333  
cont'd

Page 4.17-6

*These savings are cumulative, doubling as years go by. The 2016 standards have been approved and will go into effect on January 1, 2017. California's energy efficiency standards are updated on an approximate three-year cycle.*

O-334

Should read: and went into effect on January 1, 2017

*The Circulation Element and the Circulation Element of the Nevada County General Plan includes several goals, objectives and policies with respect to air quality, including the following:*

O-335

Should read: with respect to energy, including

*The Nevada County Housing Element encourages the use of energy efficient materials and building standards. Including a home and energy weatherization program; and has adopted the 2013 California Energy Code. In addition, the housing element also certain goals related to energy conservation and notes that there are programs to minimize the cost of energy conservation for projects such as solar and better insulation.*

O-336

Should read: the housing element also contains certain goals

Page 4.17-8

*The existing cannabis operations have been using the existing energy grid in the County supplied by PG&E.*

Many of the existing cannabis operations in Nevada County are outdoor cultivation sites which use very little power during cultivation. But power is used in all cannabis operations at some point in time and may be limited to water pumps for outdoor cultivation plus the power used for lighting and HVAC during the trimming operation. Some studies suggest that indoor / greenhouse operations use power of 78:1 or 78:0 compared to outdoor operations. Mixed light operators have also relied on generators and alternative energy sources from solar power. Energy costs are substantial for cannabis operators, and when competing for market share, price of producing the product is an important consideration for any grower. Additionally, most growers in Nevada County are small operators and are "green" thinking to start with, and seek to minimize the environmental footprint of their operations.

O-337

*Depending on the type and scale of the operation, electrical demands may vary considerably. If there is flexibility in site location, PG&E can recommend the optimum site for future businesses to alleviate or minimize system upgrades (PG&E, 2018).*

O-338

Cultivation sites are constrained by many factors including setbacks from property lines and watercourses, view sheds, slope of the site, location of trees and consideration of the sunlight reaching the site. PG&E would not offer much in the way of consultation for the majority of outdoor and mixed light operations, but could be helpful for indoor grows sites if located in a commercial or industrial park, but indoor cultivations are prohibited in these areas by the proposed county ordinance.

O-338  
cont'd

Page 4.17-9

There are **approximately 26,993 parcels** (not including AE, AG, and FR zones) that would be permitted to grow up to 6 plants for personal use.

Where is the data which shows 26,993 parcels, not including AE, AG, and FR zones? The project description shows 27,207 parcels. Not all parcels would cultivate cannabis for personal use.

According to a report published by the California Public Utilities Commission page 6, ([http://www.cpuc.ca.gov/uploadedFiles/CPUC\\_Public\\_Website/Content/About\\_Us/Organization/Divisions/Policy\\_and\\_Planning/PPD\\_Work/PPD\\_Work\\_Products\\_\(2014\\_forward\)/PPD%20-%20Prop%2064%20Workshop%20Report%20FINAL.pdf](http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/Organization/Divisions/Policy_and_Planning/PPD_Work/PPD_Work_Products_(2014_forward)/PPD%20-%20Prop%2064%20Workshop%20Report%20FINAL.pdf))

The number of households in California expecting to cultivate cannabis for personal use was 265,000 individuals. Given the state has a population of about 40 million and the Nevada County population is about 100,000 ( $100,000 / 40,000,000 = 0.00250$  or 0.25% of the population would cultivate for personal use. **The 100,000 times 0.25% would indicate that only 250 people in the county would cultivate for personal use.**

The proposed ordinance also provides that all parcels in the AE, AG and FR zones could also cultivate 6 plants for personal use in addition to permitted and licensed commercial cannabis cultivation.

O-339

Page 4.17-10

***The indoor and mixed light would artificial lighting to extend the photoperiod, growth, and enhance the flowering of cannabis plants.***

Should read: The indoor and mixed light operations would add artificial lighting to extend the photoperiod which aides in plant growth, and enhances the flowering of cannabis plants as well as increase the number of annual growing cycles within the cultivation site, compared to an outdoor cultivation.

***Cultivation energy usage is based on the State of Oregon Indoor Cannabis Cultivator Energy Use Estimator.***

The energy use calculations shown in the EIR are misstated. Total energy use was shown at 418.18 gWh which was actually only the project total use for a single month.

When multiplied by 12 to obtain the annual energy use, the project total increased to 5,018.07 gWh. These calculations were also based on very low energy use assumptions of between 40 and 80 kwh per square foot, while the average energy use for cannabis operations is closer to 150 kWh per square foot annually.

According to the California Public Utilities Commission Energy Impacts of Cannabis Cultivation

[http://www.cpuc.ca.gov/uploadedFiles/CPUC\\_Public\\_Website/Content/About\\_Us/Organization/Divisions/Policy\\_and\\_Planning/PPD\\_Work/PPD\\_Work\\_Products\\_\(2014\\_forward\)/PPD%20-%20Prop%2064%20Workshop%20Report%20FINAL.pdf](http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/Organization/Divisions/Policy_and_Planning/PPD_Work/PPD_Work_Products_(2014_forward)/PPD%20-%20Prop%2064%20Workshop%20Report%20FINAL.pdf)

“In Washington, of the entire licensed cannabis cultivation canopy, 60% is indoor, less than 10% is greenhouse, and the balance is outdoor cultivation. According to the latest public data, indoor cultivators operating year-round were consuming about 150 W/sq. ft. of active canopy, greenhouses operating 30%-50% of the year were consuming about 60 W/sq. ft. of active canopy, and greenhouses operating 15% of the year were consuming <5 W/sq. ft. of active canopy.”

Note: The data above was probably intended to display kW instead of W, since 150 Watts per square per square is less electricity than a single 100 watt light bulb which would use annually. This could be calculated as follows: (100 x 24 x 365 = 876,000 watts or 876.0 kWh per year, if left burning 24 hours per day). The 150 watts per square foot used for an indoor cannabis site in Washington should probably read 150 kW per square foot, which would equal 375,000 kW annually for a cannabis site operated 100% of the time. For a site operating 30% to 50% of the time, 60 kWh per square foot would be expected. Again Washington weather is different than California but for indoor cultivation the conditions may be similar.

Lighting for Tier 2 Mixed-light operations is limited to 25 Watts per square foot. Assuming lighting was used 4 hours a day for 6 months of the year with the other 6 months requiring light deprivation to maintain the 12 hour daily light cycle and 25 watts per square foot was used for the lighting, the electric energy for lighting could be calculated at 25 Watts x 4 Hours x 182.5 Days = 18,250 Watts or 18.25 kWh per square foot for lighting annually.

The energy use in in a greenhouse would include the total electricity need to run lights, ventilation and other equipment. Several studies show that lighting requires about 38% of the total energy used, while HVAC and dehumidification require about 51% of the power. The balance of power requirements is 11% and is associated with space heating, water handling, and Co2 injection and drying. (See Indoor Energy Consumption by end use Chart which follows)

If lighting is using 18.25 kWh per square foot in a Tier 2 Mixed-light facility and represents 38% percent of the total power usage (See Chart Below) then the remaining 62% would require 29.78 kWh per square foot for a total electric demand of 48 kWh per

O-339  
cont'd

O-340

square foot. This number is comparable to an indoor cultivation which is operating about 30%-50% of the year as shown in the example for Washington as sited above in the California Public Utilities Report for an indoor cannabis operation. However, these figures are based on ratios of power use for indoor facilities where lights are operating 12 hours a day year round and not 4 hours per day for 6 months as shown in the above calculations. When adjusted for year round operations where HVAC and other power uses are including during the periods of time when the lights are not on, the following calculations for a 6 Watt and 25 Watt per square foot mixed-light facility might be expected.

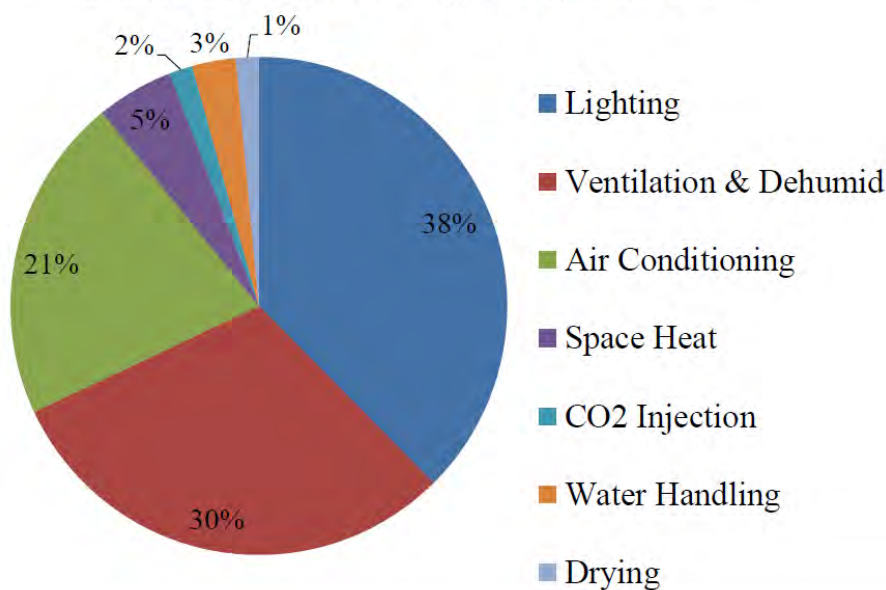
| Tier 1 Mixed-Light Cultivation -Maximum 6 Watts per Square Foot   |           |                            |          |       |        |
|-------------------------------------------------------------------|-----------|----------------------------|----------|-------|--------|
| Lighting                                                          | Hours per | Number                     | Lighting | HVAC  | Totals |
| 6 watts                                                           | Day       | Months                     | kWa      | kWa   |        |
| square foot                                                       |           |                            |          |       |        |
| 1                                                                 | 4         | 6                          | 4.38     | 29.78 | 34.16  |
|                                                                   | 8         | 6                          |          | 59.56 | 59.56  |
|                                                                   | 12        | 6                          |          | 89.34 | 89.34  |
|                                                                   |           |                            |          |       |        |
|                                                                   |           | Annual kWh per square foot |          |       | 183.06 |
| Tier 2 Mixed-light Cultivation - Maximum 25 Watts per Square Foot |           |                            |          |       |        |
| Lighting                                                          | Hours per | Number                     | Lighting | HVAC  | Totals |
| 25 watts                                                          | Day       | Months                     | kWa      | kWa   |        |
| square foot                                                       |           |                            |          |       |        |
| 1                                                                 | 4         | 6                          | 18.25    | 29.78 | 48.03  |
|                                                                   | 8         | 6                          |          | 59.56 | 59.56  |
|                                                                   | 12        | 6                          |          | 89.34 | 89.34  |
|                                                                   |           |                            |          |       |        |
| Feb. 4,2019                                                       |           | Annual kWh per square foot |          |       | 196.93 |

These numbers are higher than the 150 kWh shown in the Public Utilities Commission Report for indoor cultivation. The Wattage per square foot is easily calculated and the ration per square between lighting and HVAC and other power uses are derived from the data below which was obtained from two separate studies for an indoor cannabis cultivation facility which actually may use a higher lighting calculation than 25 Watts per square foot. Again the lighting for a mixed-light greenhouse is only assumed to be used 4 hours per day for 6 months and the power use ratio between lighting and HVAC was calculated based on the hours of light use. Since an indoor cannabis facility is operating every day all year and lighting would generally not exceed 12 hours per day during the flowering phase and the HVAC and other systems requiring operation would need to correlate for a full 12 hour operating day period.

The chart below shows the Indoor Energy Consumption by End Use.

O-340  
cont'd

### Indoor Energy Consumption by End Use



Denver Colorado produced a similar graph showing relative of electricity use for for cannabis operations.

<https://www.denvergov.org/content/dam/denvergov/Portals/771/documents/EQ/M.J.%20Sustainability/Draft%20Cannabis%20Environmental%20BMP%20Guide.pdf>

According to a 2014 study performed by the Northwest Power and Conservation Council,<sup>1</sup> electricity is generally used to perform key functions in the average cultivation facility as shown below:

| Function                               | Percentage of Total Facility Electricity Consumption |
|----------------------------------------|------------------------------------------------------|
| HVAC & Dehumidification                | 51%                                                  |
| Lighting                               | 38%                                                  |
| Space Heating (assuming electric heat) | 5%                                                   |
| Water Handling                         | 3%                                                   |
| CO2 Injection                          | 2%                                                   |
| Drying/Curing                          | 1%                                                   |

Cornell University also conducted an extensive study of energy consumption for greenhouses. They have 146 greenhouses and conducted a detailed study of energy use and greenhouse gas estimates for these facilities.

<https://cuaes.cals.cornell.edu/greenhouses/sustainable-greenhouses/energy-use/> The total power consumption for a 2,592 sf greenhouse was about 243,000 kW per year with about 60,000 kW being used annually for lighting and the balance used for heating. This works out to about 93.75 kW per square foot. The total amount of greenhouse space at Cornell University is 144,624 square feet and 11,706,690 kWh are being used for heating

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and an additional 6,279,978 kWh are used for lighting at 11 hours per day for a total energy use of 17,986,668 kWh annually. (The greenhouse study set the lights to 14 hours per day and off the remaining time. The daytime temperature was set to 75 degrees and 65 degrees at night, but the results published on four pages shows the lighting at 11 hours per day) The data tables are in PDF format and would be too small to reproduce here.

This converts to  $17,986,978 / 144,624 = 124.3$  kWh per square foot. Cornell is not cultivating cannabis in this space. The greenhouses at Cornell are comprised on many different sizes and apparently different types of construction and were built at different times. The data provided for the 2,592 square foot facility shown above is similar to several others greenhouses shown on a four page spreadsheet which can be downloaded, for the same square footage.

### Evaluation of Data Contained in EIR

The data shown in Table 4.17-3 reflects a use of 16,667 kWh per month for an indoor cultivation of 2,500 square feet. This converts to  $16,667 \times 12 / 2,500 = 80.0$  kWh per square foot annually. Twice the power is used on a 5,000 square foot indoor facility and a 10,000 indoor facility would use four times as much. The mixed use category was shown to use half of the indoor electric power compared to indoor cultivation, which works out to 40.0 kWh per square foot. The outdoor sites were shown at 0 power use, which is probably not accurate since fans are often used as well as pumps for the watering system in outdoor cultivation.

The 80.0 kWh figure for indoor cultivation is very low compared to the 150 kWh number for indoor cultivation shown in the Public Utilities Report for year round operation. Cornell has a much higher use of energy. But upstate New York is very cold in the winter and they are growing other types of crops than cannabis which may have different heating or cooling needs. There are a large variety of different numbers used for indoor cultivation which can be found in various articles and studies. Electric demands in various articles reflect anywhere between 80 kWh to over 1,000 kWh per square feet of energy use for indoor cultivation. Climate where the cultivation occurs is another large variable for the energy used for indoor cultivation as are growing techniques and lighting intensity. High insulation requirements for buildings apparently have caused higher energy use for cannabis cultivation according to some studies. However, indoor cultivation temporary licenses only account for 17.8% of the licenses issued by the state. Because of the high cost of construction and limited benefit based on yield per square foot annually, compared to mixed-light operations which use the sun for a large part of their lighting, indoor cultivation sites of 2,500 square feet or larger, would probably not even approach the 17.8% figure in Nevada County. Small greenhouses of 500' are the only type of facility available for lots which are 2 to 5 acres. But again these facilities are expensive to

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permit and construct and without the benefit of the sun they are very expensive to operate.

The data for a mixed-light greenhouse shown in table 4.17-3, at 40.0 kWh is not separated into the two mixed-light categories as shown in the California cannabis license program. The Tier 2 mixed-light example above would use about 48 kWh per square foot and the Tier 1 would use less due to the reduction of lighting wattage. The HVAC and other electric demands would probably be similar. The 6 watt lighting would use 24% of the electricity of the 25 watt per square foot limit for Tier 2. So the energy could be calculated at  $18.25 \text{ kWh} \times 0.24 = 4.38 \text{ kWh} + 29.78 \text{ kWh}$  for HVAC and other electric demands, which would total 34.16 kWh per square foot. Averaging the two types of electric demands (Tier 1 and Tier 2) would equal 39.89 kWh per square foot which is very close to the 40.0 kWh used in Table 4.17-3. **However, as described above these power use figures only represent a portion of the year. With a year round mixed-light operation a 25 Watt facility may use 196.93 kWh per square foot and a 6 Watt facility may use 183.06 kWh per square foot as shown in the calculations earlier and displayed in the table above.**

As previously stated, the indoor electric use is probably low at 80.0 kWh per square foot since most indoor operations will be conducted year round. It is not clear why the indoor electric use is 140 kWh per square foot for the 500 square foot cultivations while the 2,500, 5,000 and 10,000 square foot facilities are all shown at 80 kWh per square foot. Each of the facilities has the same needs and the only change is the square footage. This energy use difference between the 80 and 140 kWh times the number of parcels that is shown (See Below for Discussion on Parcel Count) would equal  $60 \text{ kWh} \times 500 \text{ square feet} \times 6,836 \text{ parcels} = 205,080,000 \text{ kWh}$ . This number is more than 5 times than what is shown on table 4.17-3 for 500 square foot indoor cultivation sites which indicates that there is an error in the chart.

**Table 4.17-3: Energy Use Based on Parcel Acreages**

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| Acreage of Parcels    | Total allowable Canopy SF | Number of Parcels | KWh Per month            | KWh per year   |
|-----------------------|---------------------------|-------------------|--------------------------|----------------|
| 2-5 acres             | 500 sf (Indoor Only)      | 6,836             | 5,833 KWh for 500 sf     | 39,847,388     |
| 5-10 acres            | 2,500 sf                  | 8,228             | 16,667 KWH for 2,500 sf  |                |
| Indoor                |                           | 2,742             | 16,667                   | 45,700,914     |
| Mixed                 |                           | 2,742             | 8,333                    | 22,850,457     |
| Outdoor               |                           | 2,742             | 0                        | 0              |
| 10-20                 | 5,000 sf                  | 5,698             | 33,333 KWH for 5,000 sf  |                |
| Indoor                |                           | 1,899             | 33,333                   | 63,299,367     |
| Mixed                 |                           | 1,899             | 16,666                   | 31,649,683     |
| Outdoor               |                           | 1,899             | 0                        | 0              |
| 25+ acres and greater | 10,000 sf                 | 6,445             | 66,667 KWh for 10,000 sf |                |
| Indoor                |                           | 2,148             | 66,667                   | 143,222,938    |
| Mixed                 |                           | 2,148             | 33,333                   | 71,611,469     |
| Outdoor               |                           | 2,148             | 0                        | 0              |
| TOTAL:                |                           |                   |                          | 418,182,216 KW |

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**After carefully reviewing the table it appears that the kWh per year numbers are not multiplied by 12 months. This would increase the power use for every single category shown in the table. The current total shows 412,182,216 kWh in Table 4.17-3 the number would increase to 5,018,069,868 kWh or 5,018 gWh.** The entire nameplate power production in the county is 110.4 mWh according to Table 4.17-1 or 0.11 gWh which would mean that 45,618 times of the total power currently produced in Nevada County would be required to power the electric demand for cannabis cultivation. Total annual energy use in Nevada County was on average 6,709.22 kWh per person including residential and non-residential use and the population was 98,520 which totals 660.97 gWh. The project as described would consume 7.59 times the entire of electricity used in the entire county. The total power produced in California from all sources was 206,328 gWh in 2017 and the project as currently defined would use 2.43% of all electrical energy produced in the state. And these figures are based on 80 kWh per square for indoors and 40 kWh for mixed light per square foot annually.

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**If the 150 kWh per square foot number were used for both types of cultivation plus an additional 5% for power used outside of the canopy a total electric use of 157.5 kWh per square foot annually would be required. The total electric demand for the project would increase to 12,454.8 gWh which would be equivalent 6.04% of all of the electric power generated in the state of California** or 18.987 times the total power

used in Nevada County. The county population of about 100,000 represents 0.25% of the states total population of about 40 million. The project analyzed in this EIR is assuming every parcel would cultivate cannabis, and that the project being evaluated would end up consuming more than 6% of the total power produced in the state is unrealistic.

The following table shows the calculations discussed in the previous paragraphs. The power use for outdoor cultivation is still shown at zero for these calculations but as noted some power would be used for cultivation and additional power would be utilized in the drying and trimming operations for these outdoor cultivation sites.

| Energy Use Comparison Between Table 4.17-3 and Revised Calculations for Annual Electric Use |                                 |                      |                                |                                                             |                                           |                                           |                                    |                  |
|---------------------------------------------------------------------------------------------|---------------------------------|----------------------|--------------------------------|-------------------------------------------------------------|-------------------------------------------|-------------------------------------------|------------------------------------|------------------|
| Data Obtained from Table 4.17-3                                                             |                                 |                      |                                | Revised to<br>Reflect Annual<br>Energy Use for<br>12 Months | Current EIR<br>Energy Use<br>Calculations | Proposed<br>Revision<br>for Energy<br>Use | Revised Energy<br>Use Calculations |                  |
| Acreage of<br>Parcels                                                                       | Total<br>Allowable<br>Canopy SF | Number<br>of Parcels | kWh Per<br>Month               | kWh per<br>Year as<br>Shown in EIR                          | kWh per Year                              | kWh per<br>square foot                    | kWh per<br>square<br>foot          | kWh per Year     |
|                                                                                             |                                 |                      |                                |                                                             | 12                                        |                                           |                                    |                  |
| 2-5 acres                                                                                   | 500 Sf Indoor                   | 6,836                | 5,833 kWh<br>for 500 sf        |                                                             |                                           |                                           |                                    |                  |
| Indoor                                                                                      |                                 | 6,836                | 5,833                          | 39,847,388                                                  | 478,492,656                               | 140                                       | 157.5                              | 538,335,000      |
| 5-10 acres                                                                                  |                                 | 8,228                | 16,667 kWh<br>for 2,500 sf     |                                                             |                                           | 0                                         |                                    |                  |
| Indoor                                                                                      | 2,500 sf                        | 2,742                | 16,667                         | 45,700,914                                                  | 548,410,968                               | 80                                        | 157.5                              | 1,079,662,500    |
| Mixed                                                                                       |                                 | 2,742                | 8,333                          | 22,850,457                                                  | 274,189,032                               | 40                                        | 157.5                              | 1,079,662,500    |
| Outdoor                                                                                     |                                 | 2,742                | 0                              |                                                             | -                                         | 0                                         |                                    |                  |
| 10-20 acres                                                                                 |                                 | 5,698                | 33,333 kWh<br>for 5,000 sf     |                                                             |                                           | 0                                         |                                    |                  |
| Indoor                                                                                      | 5,000 sf                        | 1,899                | 33,333                         | 63,299,367                                                  | 759,592,404                               | 80                                        | 157.5                              | 1,495,462,500    |
| Mixed                                                                                       |                                 | 1,899                | 16,666                         | 31,649,683                                                  | 379,784,808                               | 40                                        | 157.5                              | 1,495,462,500    |
| Outdoor                                                                                     |                                 | 1,899                | 0                              |                                                             | -                                         | 0                                         |                                    |                  |
| Over 20 acres                                                                               |                                 | 6,445                | 66,667 kWh<br>for 10,000<br>sf |                                                             |                                           | 0                                         |                                    |                  |
| Indoor                                                                                      |                                 | 2,148                | 66,667                         | 143,222,938                                                 | 1,718,408,592                             | 80                                        | 157.5                              | 3,383,100,000    |
| Mixed                                                                                       |                                 | 2,148                | 33,333                         | 71,611,469                                                  | 859,191,408                               | 40                                        | 157.5                              | 3,383,100,000    |
| Outdoor                                                                                     | 10,000 sf                       | 2,148                | 0                              |                                                             | -                                         | 0                                         |                                    |                  |
|                                                                                             |                                 | kWh                  |                                | 418,182,216                                                 | 5,018,069,868                             |                                           | kWh                                | 12,454,785,000   |
| Feb. 4, 2019                                                                                |                                 | gWh                  | 1,000,000                      | <b>418.18</b>                                               | <b>5,018.07</b>                           |                                           | <b>gWh</b>                         | <b>12,454.79</b> |

The correct power use per square foot is subject to a great deal of interpretation. Figures used vary from 40 kWh to 196 kWh for a mixed light operation. Indoors the figures vary between 80 kWh and 140 kWh in Table 4.17-1 and the California Public Utilities Commission is show 150 kWh for these indoor cultivation sites. The difference between indoor and mixed light is lighting demands for power and considering that greenhouses are plastic carbonite with fairly poor insulation capabilities compared to a building structure, energy losses might be higher for greenhouses. Perhaps the energy use

between the two types of structures is similar, and the 150 kWh average per square foot may be the correct number to use for each of these structures.

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Outdoor cultivation will use more than zero power per site. Fans and pumps to move water would account for most of power demands. A figure of 5 kWh to 10 kWh per square foot should be considered for outdoor cultivation.

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Immature plants that are outside of the canopy area will also require some power as well as buildings used to dry cannabis and areas onsite where cannabis will be trimmed. The trimming areas would require lighting and some climate control and humidifiers might be used in the drying areas. The power use for these facilities is not included in the calculations for energy use for cultivation. The additional power for these ancillary uses might contribute an additional 5% to 10% of overall power used for cultivation on each site, and would depend on the growing style of the cultivator. These additional demands for electric power should be considered for each cultivation site. Considering that the ancillary buildings would add 7.5 kWh for indoor and mixed light using the 5% figure discussed and that an additional 5 to 10 kWh would be probably be realistic for outdoor cultivation activates, figure of 17.5 kWh per square foot might be reasonable.

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**When 17.5 kWh per square are applied to all of the outdoor cultivation sites shown on Table 4.17-3 an additional 662 gWh for the project which is about the total power being used for the entire county today so these outdoor grow sites are not insignificant. The total outdoor cultivation area is 37,830,000 square feet x 17.5 kWh per square foot = 662,025,000 kWh or 662.025 gWh.**

### **Solar Panel Calculations: Not Included in the EIR**

Finally, in the calculations there should be adjustments for solar power and other forms of alternate energy. Also, as cultivation techniques mature, power use should decline in future years. The 50% solar requirement for new construction will be implemented in the near future and the 40% requirement for new residential construction is already in place which will start to reduce overall dependence on the electric grid. As cultivators are faced with high energy and facility costs, there may be a higher conversion from mixed-light and indoor cultivation to outdoor cultivation.

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Considering that solar panels currently average 22% efficiency and a very significant number of panels would be required to meet the 50% requirement from alternative energy for the project, careful review of mandating solar power needs to be intensely investigated. The land area alone required to meet the 50% target far exceeds the total project's cannabis cultivation area. The following calculations were prepared on two

options and neither option included any outdoor cultivation and there was provision for power to any of the supporting ancillary structures.

|                                                                      |  |                      |                       |
|----------------------------------------------------------------------|--|----------------------|-----------------------|
| Solar Panel Calculations                                             |  | Original Project     | Original Project      |
| Assumes Zero kWh Outdoors                                            |  | Adjusted for 12 Mo.  | Revised Light Use     |
| No Provision for Ancillary Structures                                |  | 140 & 80 kWh Indoor, | 157.5 kWh Indoor      |
|                                                                      |  | 40 kWh Mixed Light   | 157.5 kWh Mixed Light |
| Total Project Annual Demand kWh                                      |  | 5,018,069,868        | 12,454,785,000        |
| 50% of Project Demand kWh                                            |  | 2,509,034,934        | 6,227,392,500         |
| Number of 300 W Solar Panels                                         |  | 17,358,758           | 43,084,215            |
|                                                                      |  |                      |                       |
| Land Area Required in SF                                             |  | 305,514,147          | 758,282,192           |
| Land Area Required in Acres                                          |  | 7,013.64             | 17,407.76             |
|                                                                      |  |                      |                       |
| \$4.65 Average System Cost Per Useable kW                            |  | \$ 11,665,085,620.92 | \$ 28,952,592,777.09  |
| Notes:                                                               |  |                      |                       |
| Using 300 Watt Panels, 6 Hours per Day, 365 Days per Year            |  |                      |                       |
| Single Panel 17.6 SF 144.54 kWh Net Useable Power per Panel per Year |  |                      |                       |

Alternative energy requirements will also come into play for these commercial facilities. The impact of alternative and renewable power sources was not addressed in the EIR. If just solar panels were used, based on the 40 and 80 kWh energy use adjusted for 12 months, over 17.3 million 300 watt solar panels (7,013 acres) would be required at 22% efficiency. Assuming the 157.5 kWh per square foot energy use, 43.1 million 300 watt solar panels (17,407 acres) would be required. As described the proposed project would contain 2,684 acres of cultivation footprint (canopy). For an average cultivation site at the smaller kWh per square foot figure, 261% of the cultivation footprint would be required for solar panels, and the larger energy use per square foot as calculated would increase this requirement to 648% of the total cultivation footprint (canopy). A 10,000 cultivation site would need between 26,100 square feet to 64,800 square feet of solar panels to provide 50% of the cultivation site power with renewable energy from solar panels, based on 2019 technology.

Other alternative and renewable power sources that may be viable in some locations are wind power, which requires a small footprint compared to solar. However wind is not practical in many locations. Geothermal would be an option to consider in some an area of the state but it is very expensive to develop and there are no geothermal resources in Nevada County. Bio-mass has had much attention, but the greenhouse gas emissions are very high. Small hydroelectric is possible in some instances, but the environment work required for these projects is expensive and few hydro plants have been approved in California in the past 20 years. Stand-alone generators fueled by natural gas, propane, diesel or gasoline are not allowed as a renewable energy source. There are many ideas about other alternative power generation alternatives; however none have reached the public for the most part. Battery storage is expensive and the battery themselves in many

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cases contain hazardous materials. Short duration devices like flywheels where energy can be stored for brief periods of time are not a practical solution and are most often used along with other technologies, to help balance the power grid. The 50% reduction will be phased in over time, but the 40% is current law. Cultivation facilities use a great deal of power compared to a house, and there is reason to assume that energy reduction requirements will not apply to these facilities.

Again these energy use figures do not include the 14,541 new homes required to be built in the AG, AE and FR zones to meet the project requirements of a residence on every parcel. In addition the other new homes required for the 113,000 workers need to be addressed. Plus the energy demands for new employees in supporting businesses like the soil and cultivation suppliers, hardware stores and professional service providers, in addition to these businesses expanding their operations to supply products and services for the commercial cannabis industry being proposed for Nevada County would also be required to meet the needs for the total project.

**In Summary: The entire electrical use section of the EIR needs to be revised and rewritten.**

Page 4.17-11 and Table 4.17-3

*There are approximately 27,207 existing parcels zoned AE, AG, and FR, on which commercial cultivation or cultivation for non-remuneration could occur.*

This parcel count includes total number of parcels in the AG, AE and FR zones. The following Table obtained from the Nevada County Community Development Department in May 2018, was provided to the Board of Supervisors when public hearings were being held on the draft cannabis ordinance and appears to represent the rural parcels in the county with residences.

The following table was provided at the May 2018 meeting.

**RURAL ZONING DISTRICTS- Minus Public Owned Parcels**

| <b>Zoning District (GP Des)</b> | <b>2 to 2.99 ac.</b> | <b>3 to 4.99 ac.</b> | <b>5 to 9.99-ac.</b> | <b>10-ac and &gt;</b> | <b>Total</b> |
|---------------------------------|----------------------|----------------------|----------------------|-----------------------|--------------|
| AE                              | 2                    | 5                    | 12                   | 121                   | 140          |
| AG                              | 1,261                | 1,539                | 3,432                | 4,131                 | 10,363       |
| FR                              | 118                  | 286                  | 653                  | 1,106                 | 2,163        |
| RA (RES)                        | 273                  | 211                  | 104                  | 52                    | 640          |
| RA (EST)                        | 902                  | 905                  | 533                  | 189                   | 2,529        |
| RA (other/rural)                | 422                  | 588                  | 1,191                | 323                   | 2,524        |

|                    |              |              |              |              |               |
|--------------------|--------------|--------------|--------------|--------------|---------------|
| <i>RA Subtotal</i> | <i>1,597</i> | <i>1,704</i> | <i>1,828</i> | <i>564</i>   | <i>5,693</i>  |
| <b>Total</b>       | <b>2,978</b> | <b>3,534</b> | <b>5,925</b> | <b>5,922</b> | <b>18,359</b> |

Source: Nevada County GIS Parcel Layer 1/8/18

The total parcel count in the AG, AE and FR zones with residences total 12,666 and with 27,207 total parcels 14,541 new residences are required in these zones to allow for cannabis production on every parcel. The electric demand for these new residences should be included in the energy calculations for the project.

### Parcel Count Comparison:

| Community Development Data<br>4.16-2 | Parcels with Residences | EIR Data Table |
|--------------------------------------|-------------------------|----------------|
| AG, AE, FR Parcels 2 to 5 acres      | 3,211                   | 6,836          |
| AG, AE, FR Parcels 5 to 10 acres     | 4,097                   | 8,228          |
| AG, AE, FR Parcels over 10 acres     | 5,358                   | 12,143         |
| Totals                               | 12,666                  | 27,207         |

In summary, the baseline calculations for electric use have only taken into account the demand for power in the cultivation areas, and have not included the additional power requirements of constructing new residences. The energy use figures have not considered renewable energy resources. Given that California has mandates in place to reduce energy use, mandate the use of renewable power by 40% currently and 50% in the near future and has already developed pricing penalties for large users of power to discourage excess electric use, the energy calculations in this EIR need to reflect an accurate demand for grid generated power requirements for the project, in addition to the total electricity demand. Calculations must also consider the correct power useage per square foot, the timing of when parcels would be developed, and consider that for many years new projects will just be replacing some of the existing 3,500 cultivation sites and would not be new users of residential power but may increase their overall use of power by switching from outdoor cultivation to mixed-light or indoor operations. The baseline power requirements for the project need to be shown for total annual energy demands.

If 70 new cannabis operations were added each year, which has been the historic average in Nevada County, it would require 388 years too fully buildout every single parcel referenced in this EIR. It would 50 years to convert the existing cultivation sites to licensed facilities at a rate of 70 per year. Since only 121 sites have even applied for temporary permits, there is a very small backlog of projects to contend with and many projects that have obtained temporary licenses will not be able to comply with all of the

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requirements for annual permits or may not be able to afford the costly and complex permit process. Again, hopefully in 388 years we won't be relying on grid delivered electric service.

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*As discussed in previous Sections; while, it is not likely that every parcel would be used to cultivate cannabis, in this and other sections worst case scenario is assumed for the purpose of ensuring a complete CEQA analysis.*

CEQA also does require that a "worst case" project scenario be analyzed as the baseline project. The number of additional houses need to support the project at buildout, the total energy use of the project and the number of employees required for the project have been underestimated in the EIR. However, the gross amount of cannabis that could be produced from the total canopy was never discussed and could reach some 29.0 million pounds at 100 % production if every square foot produced at capacity. This would include mixed-light and indoor operations producing 3 crops per year. There would be losses due to testing and general crop losses but even at a 25% loss the amount of cannabis produced would be about 21.75 million pounds at buildout. Adult users are expected to consume about 3.0 million pounds in the year 2020. Clearly Nevada County is not the only source for cannabis in the state. Understanding that the project will be developed over time is a consideration, but how much time is not discussed in the EIR and all impacts of the project are discussed as of the ultimate buildout. The potential cannabis production capacity should also be analyzed, as while not being specific to environmental considerations; it certainly is a social issue and still a controlled substance according to Federal laws. Just image the waste product alone for the individual packaging of over 20 million pounds of cannabis when there are sold in grams or ounces.

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The project as defined is the basis for evaluation of a project. This "worst case scenario" statement is like saying that if a person had 10 cars, they would be driving them all at once just because they owned 10 cars. Or just because a person could own 10 cars, does not mean everyone would purchase all of them.

*For the purposes of the energy analysis, it is anticipated that parcels used for commercial cannabis cultivation would likely employ a blending of indoor mixed light, and outdoor, cultivation.*

Many cultivators grow outdoors and the cost of indoor cultivation and mixed-light cultivation for facilities and operationally cost of electricity would indicate a far higher ratio of outdoor cultivation. Outdoor grown cannabis sells for less than either indoor or greenhouse grown cannabis. Outdoor growing is the predominate method of growing in Northern California due to the sunlight and weather conditions as well as the far lower

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costs. Compared to Colorado, where most cannabis is grown in greenhouses or indoors, electric demands have placed burdens on the existing grid and account for about 2% to 3% of the power demand in Denver. Southern California sites in the desert areas are all indoors or greenhouses. Indoor and Mixed-light operations would be able to cultivate 3 to 4 times per year would help offset some of the higher production costs and substantial initial investment for the cultivation facility. Some operators may change growing style and switch to another type of operation, but a study performed by Cal Growers found that most cultivators do not change cultivation styles and work to perfect the style that they started out with.

A more realistic breakdown between the various grow types could be determined by evaluating the Temporary Permits which have been issued by the State of California.

| Type of License<br>(Data as of June 7, 2018)* | About<br>To<br>Expire | Active      | Inactive   | Total To<br>Date | No. of<br>Temporary<br>Licenses<br>Issued* As<br>of 3-28-<br>2018 |
|-----------------------------------------------|-----------------------|-------------|------------|------------------|-------------------------------------------------------------------|
| Medium Indoor                                 | 61                    | 35          | 23         | 119              | 75                                                                |
| Medium Mixed-Light Tier 1                     | 66                    | 31          | 14         | 111              | 78                                                                |
| Medium Mixed-Light Tier 2                     | 65                    | 29          | 8          | 102              | 79                                                                |
| Medium Outdoor                                | 88                    | 115         | 25         | 228              | 140                                                               |
| Nursery                                       |                       |             |            |                  | 149                                                               |
| Processor                                     |                       |             |            |                  | 38                                                                |
| Small Indoor                                  | 123                   | 122         | 23         | 268              | 175                                                               |
| Small Mixed-Light Tier 1                      | 466                   | 400         | 33         | 899              | 635                                                               |
| Small Mixed-Light Tier 2                      | 156                   | 172         | 18         | 346              | 256                                                               |
| Small Outdoor                                 | 399                   | 523         | 38         | 960              | 610                                                               |
| Specialty Cottage Indoor                      | 11                    | 15          | 3          | 29               | 23                                                                |
| Specialty Cottage Mixed-Light Tier 1          | 39                    | 37          | 3          | 79               | 52                                                                |
| Specialty Cottage Mixed-Light Tier 2          | 12                    | 20          | 1          | 33               | 20                                                                |
| Specialty Cottage Outdoor                     | 14                    | 14          | 2          | 30               | 18                                                                |
| Specialty Indoor                              | 130                   | 126         | 23         | 279              | 186                                                               |
| Specialty Mixed-Light Tier 1                  | 65                    | 85          | 14         | 164              | 96                                                                |
| Specialty Mixed-Light Tier 2                  | 18                    | 17          | 2          | 37               | 23                                                                |
| Specialty Outdoor                             | 71                    | 114         | 28         | 213              | 133                                                               |
| <b>Total Temporary Licenses Issued</b>        | <b>1784</b>           | <b>1855</b> | <b>258</b> | <b>3897</b>      | <b>2,786</b>                                                      |

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This data was for temporary permits issued as of June 7, 2018 and by the end of 2018 the total number of permits increased to about 10,000. (Nevada County licenses totaled 121 by December 31, 2018)

The ratio between Outdoor, Mixed-light and Indoor probably has not changed much and the mixed-light licenses may be overstated since many operators were able to obtain more than 200 licenses each in Santa Barbara County which may never get converted to Annual Licenses.

The following table summarizes the data above and separates the Indoor, Mixed-light 1, Mixed-light 2 and Outdoor Temporary Permit Licenses, and shows the percentages of each license type issued as of June 7, 2018.

| Calculations to Determine the Temporary Permit Allocations Based on License Type |  |        |       |         |           |        |            |
|----------------------------------------------------------------------------------|--|--------|-------|---------|-----------|--------|------------|
|                                                                                  |  | medium | small | cottage | specialty | Totals | % of Total |
| indoor                                                                           |  | 119    | 268   | 29      | 279       | 695    | 17.83%     |
| mixed light 1                                                                    |  | 111    | 899   | 79      | 164       | 1253   | 32.15%     |
| mixed light 2                                                                    |  | 102    | 346   | 33      | 37        | 518    | 13.29%     |
| outdoor                                                                          |  | 228    | 960   | 30      | 213       | 1431   | 36.72%     |
| Based on Total Temporary Permits Issued as of June 7, 2018                       |  |        |       |         |           | 3897   |            |

While the Outdoor licenses are 36.72% instead of 33.33% assumed in the EIR evaluation, the indoor license type is only 17.83% of the licenses issued. Power consumption for mixed-light and indoor was considered the same in the calculations provided in the comments above. The outdoor figure is fairly close the the evaluation performed.

Mixed light are divided into two categories Tier 1 which are for sites which use 6 watts or less per square foot and Tier 2 which are for sites which use more than 6 watts but less than 25 watts per square foot. The Tier 1 Mixed Light sites totaled 32.15% and Tier 2 sites totaled 13.29%. Tier 1 mixed-light would use far less power for lighting than Tier 2 however the HVAC and other power uses are similar for both mixed-light types of operation.

Page 4.17-11 Continued

*This a common way cannabis is cultivation, and this is expected to be especially true of larger parcels on which 10,000 sf of canopy may be cultivated.*

Development of a 5,000 greenhouse without the cost of permits and licensing is about \$150,000 so while many would like to operate an outdoor and mixed light combination, it would be difficult to assume that this would be the standard.

Should read: This is a common way cannabis is cultivated,

O-351  
cont'd

O-352

*Due to the high cost of constructing a structure large enough to house 10,000 sf of cannabis, it is more likely in these instances that a combination of indoor cultivation would be used in conjunction with mixed light greenhouses or hoop house and outdoor cultivation.*

O-352  
cont'd

*Hoop houses are not allowed in Nevada County for mixed-light commercial cultivation*

*Within the table; therefore, the total number of eligible parcels within a given acreage range are divided i*

O-353

*Should read: are divided.*

*Outdoor operations do not require the same amount or types of equipment required to support growth of cannabis plants in comparison to indoor cultivation operations and no electricity demands are assumed for new outdoor operations n thirds to more closely represent what is anticipated to occur if the proposed NCCO is implemented.*

*Should read: new operations in thirds*

*The information presented above obtained from State of California licensing figures show that:*

*Indoor Licenses: 17.1%*

*Outdoor Licenses: 36.72%*

*Mixed Light Tier 1 (6 watts or less per sf) 32.15%*

*Mixed Light Tier 2 (6 watts to 25 watts per sf) 13.29%*

O-354

*The above numbers should be used for the evaluation of electrical use and the difference between the two lighting types for mixed-light should be included in the evaluation.*

*Addition, it is unlikely due to other potential constraints such irregularly shaped parcels that limit cultivation area due to set back requirements; proximity to sensitive receptors; presence of sensitive resources; or otherwise eligible parcels that do not have a residence or are not on a contiguous parcel with a legal residence. It should be noted as well that these calculations do not exclude the estimated existing 3,500 cultivation sites. Although these sites are considered part of the baseline for the purpose of this Draft EIR, due to the nature of energy and the fact it would be an ongoing demand as the cultivation continued from year to year, and the fact these cultivation sites would contribute to the future demand for energy, for the purpose of this analysis they are included.*

O-355

*Should read: Additionally, it is*

The existing cultivation sites could only be reused for commercial cultivation by obtaining the required permits and licenses. If there were an ongoing demand for power from these facilities with permits, they would be operating illegally. However, the power being used by the 3,500 cultivation sites currently should be part of the baseline condition and the event there was no project, the power consumption used by these existing cultivation sites would continue until they were abandoned or forced to shut down. By converting existing cultivation sites, to legally permitted and licensed commercial operations, the power usage may not change unless there was a change in the size of the operation or type of operation on the site. Adding the electric power from the existing cultivation sites to the new licensed sites is overstating the power consumption of the project being evaluated for this EIR.

O-355  
cont'd

Page 4.17-12

*If the proposed project is adopted, numerous new commercial cannabis cultivation sites and those used for non-remuneration would apply for permits under a CCP for cultivation less than 2,500 sf and an ADP for cultivation between 2,500 sf and 10,000 sf. Operation of these project would use energy in the form of vehicle fuels for travel to and from the cultivation sites.*

O-356

Should read: could apply

Should read: Operation of these projects would

Operation of the vehicles would use energy derived from burning both gasoline and diesel fuels. Based on Section 4.15 Transportation and Traffic, the proposed project, if constructed at once would generate a total of 30,705 new average daily trips or 153,525 new daily vehicle miles traveled. Considering with the average vehicle in the US gets approximately 24.7 miles per gallon, the proposed project would use approximately 6,214 gallons of fuel per day.

The number of new daily trips could far more than what is shown here if every single parcel shown were to be developed for commercial cannabis operations. Refer to comments in Sections 4.15 and 4.12-7 for comments about workers, housing and population growth. Total average daily vehicle trips could be more than the 113,000 new employees in the commercial cannabis business, and fuel use would increase to over 16,190 gallons per day if every eligible parcel was developed. Additionally the indirect miles from travel by the supporting services sector which supplies the cannabis cultivators with materials and other services was not included in the traffic evaluation.

O-357

Page 4.17-13

*It should be noted that the listed trips are worst-case travel scenarios and do not account for the cultivation season.*

O-358

The worst case scenario was not included in the traffic section of this EIR. Again, there is no requirement to evaluate a worst case scenario in CEQA, only to address the projects impacts and the cumulative impacts relating to the approval and implementation of the project.

O-358  
cont'd

*Cleaner vehicles that rely on alternative fuels are increasing throughout Humboldt County and California, and through the State's Advanced Clean Car Program, more zero-emission and electric vehicles are anticipated to be adopted. Therefore, taken in sum with the other operational energy demands of the proposed project, impacts would be significant and unavoidable.*

Should read: are increasing being used throughout

The projects impacts need to be evaluated based on real numbers for the amount of cannabis being produced and the employment, housing and population growth that would accompany the project at 100% production of cannabis on all 27,207 parcels. The annual number of permits issued, actual energy use per square foot of cultivation consideration of the renewable energy requirements and the actual mix between cultivation types, which can be found in the State of California temporary permits issued information, should all be reevaluated. Electric use by site should be compared with data obtained from Cornell University, Washington, Colorado and the California Public Utilities Commission.

O-359

*Significant and Unavoidable.*

*The proposed project would result in a substantial increase in energy demand during operations. As discussed above, a relatively worst-case scenario was evaluated with reasonable reductions based on known constraints and likely cultivation types and energy uses. Even with the reductions, energy use at project buildout would be approximately 50% of the existing Countywide use. There is no mitigation that would be feasible to reduce these impacts to less than significant. Impacts would remain significant and unavoidable.*

The project needs to be completely redefined based on realistic numbers of parcels and cannabis production rates. Once a new baseline is established, the impacts of the project can be adequately reviewed. After these revisions and subsequent review the projects impacts should be analyzed and then a determination made as to whether the impacts are significant or not and what mitigation measures such as the use of renewable energy would be included in the project to reduce the projects impacts. The energy use for the project as shown in the EIR was for a single month and not an entire year. When adjusted to 12 months the energy use increased to 5,018 gWh using the 40 to 80 Watts per square foot and when 157.5 Watts per square foot was utilized for indoor

O-360

and mixed light cultivation the total energy use for the project increased to 12,454 gWh, or about 6% of the total amount of power produced in California.

O-360  
cont'd

Page 4.17-14

*As discussed in Impact 4.16-8, existing cannabis operations have been using the existing energy grid in the County supplied by PG&E.*

Some existing cultivation sites are using generators and renewable energy in the form of solar panels and not all of the operators are using power from the grid.

O-361

*PG&E has no current plans for expanding or upgrading lines in Nevada County. Hence, PG&E's equipment in Nevada County has the capacity to serve the present estimated load growth demand.*

O-362

The existing 3,500 cultivation sites are included in the existing power used in Nevada County.

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, would require registration with the enforcing officer through an administrative action.*

O-363

The registration requirement for 6 plants has been deleted.

*Compliance with state legislation such as SB 350, which requires energy efficient financing and tiered service rates would increase energy efficiency.*

O-364

What is energy efficient financing and how does that apply to the project?

*While all of the above would be required and projects would be required to comply with energy saving regulations, it is possible that due to the substantial increased energy demand expected as part of the proposed project, the local and or regional energy supplies could become constrained resulting in an effect on peak and base periods of demand for electricity.*

O-365

How have energy saving regulations been incorporated into the calculations for electric use?

Page 4.17-15

*Thus, impacts to regional energy supplies would be significant and could require construction of new electrical generation and/or transmission facilities.*

O-366

The project needs to be completely redefined based on realistic numbers of parcels and cannabis production rates. Once a new baseline is established, the impacts of the

project can be adequately reviewed. After these revisions and subsequent review the projects impacts should be analyzed and then a determination made as to whether the impacts are significant or not and what mitigation measures such as the use of renewable energy would be included in the project to reduce the projects impacts. The energy use for the project as shown in the EIR was for a single month and not an entire year. When adjusted to 12 months the energy use increased to 5,018 gWh using the 40 to 80 Watts per square foot and when 157.5 Watts per square foot was utilized for indoor and mixed light cultivation the total energy use for the project increased to 12,454 gWh, or about 6% of the total amount of power produced in California.

O-366  
cont'd

Once a new baseline is established, the impacts of the project can be adequately reviewed. After these revisions and subsequent review the projects impacts should be analyzed and then a determination made as to whether the impacts are significant or not and what mitigation measures such as the use of renewable energy would be included in the project to reduce the projects impacts.

*Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, would require registration with the enforcing officer through an administrative action. The cultivation activities of six plants for personal use in R1, R2, R3, or RA zones would be limited to indoor cultivation and would not conflict with existing energy standards,*

O-367

The registration requirement for 6 plants has been deleted.

Outdoor cultivation for personal use is allowed on RA zoned parcels greater than 5 acres in size.

## Section 5.0 Other CEQA Sections

Public services, code enforcement illegal cultivation site abandonment

## Section 5.1 Cumulative Projects

Page 5-3

*New commercial cannabis cultivation operations would include structures and features that are similar to agricultural activities. These include water storage ponds, accessory structures (e.g., barns and nurseries), caretaker housing, fencing, and roads.*

O-368

Should read: water storage ponds and water tanks,

Therefore, **some nighttime glow from artificially lighted nighttime** cultivations may occur. Taken in sum, for all cultivation operations, this could result in a significant lighting impacts. Additionally, while security lighting would be required to be shielded and angled in such a way as to prevent light from spilling outside of the boundaries of the site, it is likely these sources would add some nighttime glow. Thus, the project's contribution to cumulative impacts on light and glare would be cumulatively considerable.

Nighttime glow from lights associated with cannabis cultivation would generally be limited to no more than 4 hours per day between October and March due to the maximum 12 hour lighting cycle required for flowering cannabis plants. Vegetative grow periods may increase lighting hours but overall, for about 6 months of the year, little artificial light would be used at night in mixed-light cultivation. Typically all of the artificial light would be used right after sunset or just before sunrise. Security lighting used could also be low level lighting as well as being installed close to the ground. Other security lighting could be mostly placed in areas where sensors could be used to trigger the light if there was some motion detected. Additionally, lighting could be shielded to prevent spill over to adjacent parcels.

O-368  
cont'd

Therefore, cannabis cultivation on Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, by definition, is considered a non-agricultural use on these agricultural lands. Conversion to cannabis cultivation **from farmland used** for other crops is, however, an important public policy consideration.

O-369

Should read: from prime, unique or important farmland

Based on the assumptions used for this analysis it is **assumed that all eligible parcels** that could support commercial cannabis operations would do so.

O-370

The 27,207 parcels being analyzed in the EIR would produce about 29.0 million gross pounds of cannabis, employ 113,000 people, add 14,541 housing units in the AG, AE and FR zones plus an additional 76,790 homes for the cultivation and trimming workers.

Page 5-4

It is unknown how many existing **agricultural operations** would convert from other types agricultural operations to commercial cannabis cultivation. Therefore, impacts as a result of **agricultural land conversion** would be considered significant.

O-371

The concern appears to mostly be directed towards Prime Farmland, Unique Farmland, and Farmland of Statewide Importance not just agricultural operations. Prime Farmland should be protected as this is resource which cannot be readily replaced and there are very few areas in the county which contain these Prime Farmlands.

*Within the boundaries of the County, there are approximately 93,000 acres zoned TPZ and approximately 244,000 acres zoned FR. The California Forest Practice Act requires all commercial harvesting operations be subject to environmental review, and landowners submit Timber Harvest Plans to CalFIRE.*

Should read: and landowners shall submit Timber Harvest Plans

Another point which has not been raised in the EIR related to FR zoned property, is the likely of additional tree removal for mixed-light or outdoor cultivation because of the tall canopy of the threes, Cannabis needs light and tall trees directly adjacent to a mixed-light or outdoor cultivation will shadow the grow area in times when the sun is not directly overhead which may necessitate the clearing of many additional trees. While 3 acres of tree removal can be accomplished by obtaining a permit from Calfire, that area of tree removal for all of the parcels in the FR zone may have a significant impact both visually as well as for migration of some species and habitat for others. The number of parcels zoned FR in the May 2018 Table, shows 1,758 parcels over 5 acres in size. At 3 acres per parcel and assuming that all parcels were developed for commercial cannabis use, a potential 3,518 acres could be cleared to support mixed light or outdoor cultivation. The number of FR parcels contained in the baseline project description, are probably higher than the numbers considered here.

O-371  
cont'd

Page 5-5

*Sources of odors related to the proposed ordinance may include diesel exhaust from construction equipment, odor emitted from cannabis plants during final stages of cultivation, and the burning of excess plant materials.*

O-372

State cannabis laws do not allow for burning any portion of the cannabis plants.

Page 5-6

*Actions under the proposed ordinance would also include ground disturbance, vegetation removal, and conversion of wetland habitat, which could result in the direct loss of special status plants or their habitat. This would contribute to potentially significant cumulative impacts in Nevada County. Avoidance or minimization measures, or implementation of a management plan to address these issues would reduce impacts and would offset the project's contribution within the County because these measures would require applicants to identify and avoid special status plants or provide compensation for the loss of special status plants. Thus, while conformance to these development standards is expected to reduce the potential impacts associated with an individual CCP or ADP the overall project contribution to significant cumulative impacts to special status plants, would be cumulatively considerable and significant and unavoidable when considered over the unincorporated area of the County.*

O-373

In addition to the county, the State Water Board requires a biological site assessment to be conducted on every project to identify wetland habitat, plants and wildlife of special concern and have established a number of best management practices which are required to be implemented by all cannabis cultivators as specified the General Order. State Water Board staff also conducts site visits before any type of permit is issued. Further Site Management Plans are required for every project and additional plans are required for site which exceed 30% slope or encroach in any setback area. The State of California has already established strict requirements for the protection of waters from sedimentation, spills from pesticides and establishes minimum setbacks for cannabis cultivation and supporting activities. Water diversions are only allowed with an adequate water right and a permit, and forbearance periods are in place for many water courses. Projects that interfere with special habitat, cannot comply with current standards, or pose a significant risk to biological resources could be denied, just like any other land development project.

O-373  
cont'd

The words would be should be changed to could be in the highlighted text above.

Page 5-9

*As of July 19, 2019, all existing and future discharges would be required to transition to the statewide General Order.*

O-374

Should read: July 1, 2019

*The project would result in an increase in demand for local groundwater resources that could contribute to cumulative groundwater supply and impacts in areas of the County with limited groundwater resources (e.g., fractured bedrock conditions).*

O-375

Water use is greatly overstated in the draft EIR. Refer to comments provided on Pages 4.8-32 and 4.8-33.

*Low flows are associated with increased temperature. In addition, low flows also aggravate the effects of water pollution.*

O-376

Should Read: Low flows are also associated with...

Page 5-10

*These uses do not inherently produce loud punctuated noise events, nor consist of activities that would result in sustained increases to the noise environment. In addition, and as discussed above, many of these projects would be in rural and sparsely developed areas so their contribution to the cumulative noise environmental would be limited.*

O-377

Should read: the cumulative noise environment would be

*Approval of the proposed project would contribute to cumulative impacts to population, employment, and housing associated with pending development projects in unincorporated Nevada County. Cumulative impacts associated with the proposed project would include the maximum buildout of a combined approximately 2,684 acres of canopy area if each of the eligible parcels were to cultivate the maximum amount of canopy area that would be permitted.*

O-378

### **Cannabis Production:**

See comments on page 4.12-7 for more detail on cannabis production.

### **Summary of Cannabis Cultivation gross yields on 27,207 parcels, 2,684 Acres of Canopy Area**

The 2,684 acres shown would equal 12,320,683 pounds of gross production if all of sites were to only cultivate outdoors. If two thirds grew in mixed light or indoor facilities and the remaining one third grew outdoors the total production, based on 47.8 grams per square foot, would increase to approximately 28,988,787 pounds. The entire state consumption of cannabis was 2,250,000 pounds in 2017 for the 12 and older population and is expected to increase to 3,250,000 pounds in 2021 for the 12 and over age group. (The 12 to 21 year old age group consumes about 300,000 pounds of the total).

At full buildout, a date which is not defined in the EIR, cultivation of 29.0 million pounds exceeds the consumption of cannabis in the state by 974% of the projected 2021 use figures for the age 21 and over population. This is based on data obtained and compiled from the National Survey on Drug Abuse, which is updated every other year. Other counties and cities in the state are also cultivating significant quantities of cannabis, which would certainly be competing for a share of the market. The total population of California is currently about 40 million and if only Nevada County was producing cannabis in the entire state, on every single parcel eligible at the maximum canopy as described in the project description, the 28.988 million pounds produced could provide 0.71 pounds cannabis to every single adult and child in the state every year, at project buildout, based on the current population. Granted, adding 70 new cultivation sites each year which has been the average historic rate of growth of cannabis sites in the county for the last 50 years, total buildout would not occur for about 386 years. ( $27,027 / 70 = 386$  years)

O-379

The total cannabis project at 100% build-out would allow for up the 28,988,787 pounds of cannabis, assuming 1/3 was produced outdoors with a single grow cycle a year, plus mixed-light cultivations at 1/3 of the total production area with 3 grows per year, plus the indoor cultivation area with 1/3 of the production area with 3 grow cycles per year. (Some mixed-light or indoor operations may have more than 3 grow cycles per year). The land area devoted to just the cannabis canopy area equals 2,684.30 acres. The following

table shows the gross production by type of operation and parcel size, and includes data on the full time employees required to operate these facilities and trim the product.

| Gross Total Cannabis Yield at Full Buidout, Project Area and Total Employees |           |             |                |                    |                  |                   |                           |
|------------------------------------------------------------------------------|-----------|-------------|----------------|--------------------|------------------|-------------------|---------------------------|
| Feb. 3, 2019                                                                 |           |             |                |                    |                  |                   |                           |
| Parcel Designation                                                           | Number of | Canopy in   | Outdoor And    | Annual Grow Cycles |                  |                   | Total Gross               |
| 100% Production                                                              | Parcels   | Square Feet | Indoor Yield   | Indoor             | Mixed-light      | Outdoor           |                           |
|                                                                              |           |             | Grams per S.F. | 3 Grow Cycles      | 3 Grow Cycles    | 1 Grow Cycle      | Average Pounds per Parcel |
| AG, AE, FR Parcels 2 to 5 acres                                              | 6,836     | 500         | 47.8           | 100%               |                  |                   | 158.07                    |
| AG, AE, FR Parcels 5 to 10 acres                                             | 8,228     | 2,500       | 47.8           | 33.33%             | 33.33%           | 33.33%            | 614.66                    |
| AG, AE, FR Parcels 10 to 20 acres                                            | 5,698     | 5,000       | 47.8           | 33.33%             | 33.33%           | 33.33%            | 1229.33                   |
| AG, AE, FR Parcels over 20 acres                                             | 6,445     | 10,000      | 47.8           | 33.33%             | 33.33%           | 33.33%            | 2458.66                   |
| Project Totals                                                               | 27,207    |             |                |                    |                  | 100%              | 1,065.49                  |
|                                                                              |           |             |                |                    |                  |                   | 28,988,787                |
| Project Area and Total Employees                                             | Number of | Canopy in   | Total Square   | Area in Acres      | Avg. Cultivation | Avg. Trimmers per | Total Full Time           |
|                                                                              | Parcels   | Square Feet | Feet of Canopy | 43,560             | Employees per    | Parcel            | Employees                 |
|                                                                              |           |             |                |                    | Parcel           |                   | Per Parcel                |
| AG, AE, FR Parcels 2 to 5 acres                                              | 6,836     | 500         | 3,418,000      | 78.47              | 0.50             | 0.41              | 0.91                      |
| AG, AE, FR Parcels 5 to 10 acres                                             | 8,228     | 2,500       | 20,570,000     | 472.22             | 1.17             | 1.61              | 2.78                      |
| AG, AE, FR Parcels 10 to 20 acres                                            | 5,698     | 5,000       | 28,490,000     | 654.04             | 1.58             | 3.23              | 4.81                      |
| AG, AE, FR Parcels over 20 acres                                             | 6,445     | 10,000      | 64,450,000     | 1,479.57           | 2.33             | 6.45              | 8.79                      |
| Project Totals                                                               |           |             | 116,928,000    | 2,684.30           |                  |                   | 113,173                   |

O-379  
cont'd

### The Project is far too large:

The project as defined is far too large at 27,027 parcels and the impacts in many areas of evaluation are significant and cannot be mitigated. There is no crystal ball which would provide guidance for the amount of consumption of cannabis by California adults in 40 years, 100 years or 386 years from now. The EIR has not addressed the projected quantities of cannabis which could be produced on parcels once approved for commercial cannabis cultivation. But from the outset, if a project is defined which would cultivation on every single parcel zoned correctly and can meet setback requirements and have a legal dwelling unit, the sky is the limit for how much could be produced until 100% capacity is reached, and the constraint becomes the market itself. Cannabis cannot be exported under current law to other states or countries, and cannabis would be considered a perishable product with a limited shelf life, so it cannot be stored for great periods of time.

O-380

So the legal market is really only the users in the state. With about 36.65% of the 21 to 25 year age group being annual users, and 16.40% of the 26 and older age group being annual users, estimated for 2018, and in total consuming approximately 2,135,000 pounds it would a great number of years to bring consumption in the state up to 10 million pounds. A quick study that based on the entire age group 21 and over moving up to 40% of the population which would use cannabis annually, and a population growth rate of 0.73% annually the number of cannabis users would increase form 5,342,076 in 2018 to 15,002,160 in the year 2060. The total California adult demand would be estimated 6.623 million pounds. Use has actually declined in some age groups, so while a projection of ever increasing use as shown in these numbers may be optimistic.

Again these are estimates and the growth rate in the percentage using cannabis may not reach 40%, and the state growth rate may slow, but the 6.6 million pounds is roughly 3 times the current demand, so there will be growth in the industry. Economics also plays a factor in use. The current average retail price is \$8.18 per gram. Users are classified into 3 categories in the National Survey on Drug Abuse data sets. The annual user is someone who uses cannabis occasionally, and the consumption rate for these users is 3.5 grams per month. A monthly user, which represents about 95% of all cannabis consumption and is also considered part of the annual user category, consumed 21 grams per month. A first time user, also part of the annual user category, consumes 0.5 grams per month. The annual user is spending \$28.63 per month (\$343.56 year), the monthly user is spending \$171.78 per month (\$2,061.36 year) and the first time user is spending \$4.09 per month (\$49.08 year). These prices are for flower only and manufactured products will cost more. Manufactured products often require more flowers to produce, which does increase the overall demand for flowers, but many industry people state that a consumer would be using less of a manufactured product than using flowers to begin with, so it may or may not be comparable. In any event, if all products were sold in grams at the retail price of \$8.18 per gram, the current total legal California market for users 21 year and older would be about \$7.924 Billion in 2018 and growing to \$24.574 Billion in 2060 based on 2018 retail prices. Cannabis is a big business in California and there is a great deal of competition to supply cannabis flowers. Very large operations are either underway or in the permit process and Nevada County will be a participant in that market. But it is unreasonable to assume that Nevada County or any other County will supply all or even the majority of the cannabis flowers to the marketplace.

Establishing reasonable and even aggressive goals for supplying quality cannabis flowers should be the thrust of the license program in Nevada County. This is not a build it and they will come scenario, since the product is both highly regulated and restrictive as to the age of the customer and where they are located. Finally, there is some level of uncertainty in where the federal government will end up on cannabis. If cannabis is completely rescheduled and moved off the list of controlled substances, all bets are off as to how and even if the product could be regulated at all, which could change the complete dynamics of the current regulated market.

It only required about 456.2 acres to supply the legal market in 2018 for the 21 and older user group if all of the product was grown outdoors and the average yields of 47.8 grams per square foot was achieved. About 20% of the product is being lost as a result of testing and manufacturing does require more cannabis product, but even if 40% were added to the 456.2 acres, the total outdoor cultivation footprint would total about 638.6 acres or 1 square mile.

As earlier stated, the 2016/2017 ERA Report prepared for the State of California when the Sate was preparing an EIR for the entire cannabis regulation program, estimated

O-380  
cont'd

there was about 13.5 million pounds of cannabis was being produced in California. Recently there was information that for 2018, that the total production had increased to 15.5 million pounds in the entire state. The legal market requirements in the State of California established the minimum age of 21, for purchasing cannabis and precluded persons under the age of 21 from working in cultivation, manufacturing, testing or distributing of any cannabis product. The demand for cannabis for the over 21 age group was less than 1.8 million pounds in in 2017 when ERA performed the study, and current estimates have shown a legal California demand of about 2.135 million pounds in 2018 for 21 and older users of cannabis. Where does the balance of the product being produced above the needs of the legal market in the state, end up? Assuming that 1/3 of this product is grown outdoors and 1/3 in greenhouse and the remaining 1/3 is indoor grown, the total wholesale price and estimated retail price of this current 15.5 million pounds, would look like the following:

| Total Reported Estimated Cultivation in California in 2018 |                 |               |                   |                       |
|------------------------------------------------------------|-----------------|---------------|-------------------|-----------------------|
| Wholesale                                                  | Percentage      | Pounds        | Per Pound Price * | Wholesale Sale Totals |
| Total Production                                           |                 | 15,500,000    |                   |                       |
| Outdoors                                                   | 33.33%          | 5,166,150     | \$700             | \$ 3,616,305,000      |
| Greenhouse                                                 | 33.33%          | 5,166,150     | \$971             | \$ 5,016,331,650      |
| Indoors                                                    | 33.33%          | 5,166,150     | \$1,483           | \$ 7,661,400,450      |
| Total Wholesale Sale Amount                                |                 |               |                   | \$ 16,294,037,100     |
| *Source: Cannabis Benchmarks 1/25/2019                     |                 |               |                   |                       |
|                                                            |                 |               | Per Gram          |                       |
| Estimated Retail Sales                                     |                 |               | Avg. Retail       |                       |
| Total Production                                           |                 | 15,500,000    |                   |                       |
| Converted to Grams                                         |                 | 7,030,490,000 | \$8.18            | \$ 57,509,408,200     |
| 453.58                                                     | Grams per Pound |               |                   |                       |

O-380  
cont'd

### Financial Analysis:

The EIR process does not require that a financial analysis be prepared for a project. However, if this project were a new "Superstore" that provided many jobs and economic benefits to the community, the document would most likely include a financial analysis. This project is not a new "Superstore", but 27,027 little commercial sites spread all over

O-381

the county. A simple financial evaluation of the costs associated with constructing all these sites is warranted, just so the magnitude of estimated financing that would be required to construct the total project could be understood as another check on the projects viability.

Based on the costs of just obtaining licensing, which according to sources very familiar with permitting and licensing, the square foot cost is currently estimated at \$12 to \$15 per square foot for projects that contain a mixed light or indoor component. This includes all of the licensing fees, permit costs, studies plans required for the project, without any construction costs. An outdoor facility will cost less to permit and could be as low as \$6 a square foot. A permitted 5,000 greenhouse for mixed light complete with all lighting and HVAC systems cost about \$200,000 to construct and extensive site work and long utility runs will increase the costs. So the permitting and licensing fees for 27,027 parcels, which include 2,684 acres of canopy as per the project description, would be segmented into 1/3 types of cultivation. Outdoor cultivation with 895 acres, Mixed-light cultivation at 895 acres and indoor cultivation at 895 acres.

The outdoor cultivation sites at the low cost of \$6 per square foot for permitting and licensing, would require an investment of about  $(895 \times 43,560 \times \$6.00) = \$234$  Million dollars plus about \$5.00 per foot for site improvements at a minimum which would require an additional investment of  $(895 \times \$5.00) = 195$  million dollars. The permitting of the mixed light sites, assuming the \$12 square foot cost, would require an investment of  $(895 \times 43,560 \times \$12.00) = \$468$  Million dollars. The cost of greenhouses structures for the mixed light sites which based on \$200,000 for a 5,000 square foot facility  $(\$200,000 / 5,000 \text{ SF} = \$40 \text{ per SF})$  would require an additional investment of  $(895 \times 43,560 \times \$40.00) = \$1.56$  Billion Dollars. The indoor cultivation sites would be at the higher end of permitting costs due to the buildings involved and the estimated \$15.00 per square was used for this example. The total investment for permitting and licensing of an indoor facility would be  $(895 \times 43560 \times \$15.00) = 585$  Million dollars. The indoor structure would cost considerably more than a greenhouse while less than a new residence which could be \$150 - \$200 per square foot or far higher for a custom home. So using a figure of \$80.00 per square foot, which is twice the cost of a greenhouse may be low, but there isn't a kitchen or floor coverings so the figure could be close. The estimated cost for indoor cultivation construction would be  $(895 \times 43,560 \times \$80.00) = \$3.12$  Billion dollars.

The immature plant areas at 25% of the cultivation footprint would require very little site work and minimal facilities other than type of temporary covering and are only assigned \$0.25 per square foot of canopy. The ancillary buildings for drying, trimming and storage equal about 32% of the canopy and includes a restroom, secure storage, processing area and an office as shown in the example below for a 10,000 square foot cultivation site. Scaling these number down will require some adjustment as some spaces like the

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restroom and office area would not function if this building was reduced by 75% for a 2,500 square foot cultivation site.

In the example at least 50% of the cultivation area is needed for drying the plants, some was shown in an agricultural building and almost half in the metal building used for this example. Other requirements for covered space are shown in the table below. About 75% of the total canopy area needs to be in a covered and enclosed space, with just the immature plants area being outdoors. Another option for processing and drying on the cultivation sites would be to transport the cultivation after harvest to another facility located outside the county. Nevada County has no licenses or provisions for stand-alone drying and processing centers for cannabis. The following table reflects the estimated for the supporting ancillary buildings and immature plant area for a 10,000 square foot cultivation site. This example includes a 5,000 square foot outdoor cultivation area and 5,000 square foot mixed-light Tier 2 facility.

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| Supporting Ancillary Buildings and Immature Plant Area                                                                                                                                                                                                 |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------|-------------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 10,000 Square Feet of Total Cultivation                                                                                                                                                                                                                |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                     |
| Assumes 2 Licenses on the Site: 5,000 sf Mixed Light Plus a 5,000 sf Outdoor Cultivation                                                                                                                                                               |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                     |
| All Areas Described Below are Required to be Shown on the Site Plan to Obtain a State License if Processing (Drying and Trimming) is Performed at The Cultivation Site, Except for the Shower, Break Room, Hallway and Office and Records Storage Area |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                     |
| Feb. 2, 2019                                                                                                                                                                                                                                           |                         |                                   |                         |                            | Description ;                                                                                                                                                                                                                |                     |
|                                                                                                                                                                                                                                                        | Temporary Covered Space | Other Agricultural Building Space | Enclosed Building Space | Uses Contained in Building | * These Use must be Separated for Multiple Licenses on a Single Site<br>** These Uses can be Shared                                                                                                                          | % of Total Canopy   |
| Immature Plants*                                                                                                                                                                                                                                       | 2,500 sf                |                                   |                         |                            | 2) 1,250 sf Areas                                                                                                                                                                                                            | 25% of canopy       |
| Single Processing Building                                                                                                                                                                                                                             |                         |                                   | 3,200 sf                |                            |                                                                                                                                                                                                                              | 32% of canopy       |
| Drying Areas*                                                                                                                                                                                                                                          |                         |                                   |                         | 2,240 sf                   | 2) 1,120 sf Drying Areas                                                                                                                                                                                                     |                     |
| Processing Areas*                                                                                                                                                                                                                                      |                         |                                   |                         | 384 sf                     | 2) 192 sf Processing Areas                                                                                                                                                                                                   |                     |
| Secured Storage Areas*                                                                                                                                                                                                                                 |                         |                                   |                         | 144 sf                     | 2) 72 sf Secured Storage Areas                                                                                                                                                                                               |                     |
| Bathroom**                                                                                                                                                                                                                                             |                         |                                   |                         | 48 sf                      |                                                                                                                                                                                                                              |                     |
| Shower Changing Area**                                                                                                                                                                                                                                 |                         |                                   |                         | 48 sf                      |                                                                                                                                                                                                                              |                     |
| Hallway and Break Room**                                                                                                                                                                                                                               |                         |                                   |                         | 192 sf                     |                                                                                                                                                                                                                              |                     |
| Office and Records Area**                                                                                                                                                                                                                              |                         |                                   |                         | 144 sf                     |                                                                                                                                                                                                                              |                     |
| Other:                                                                                                                                                                                                                                                 |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                     |
| Additional Drying Areas*                                                                                                                                                                                                                               |                         | 2,760 sf                          |                         |                            | 2) 1,380 sf Additional Drying Areas                                                                                                                                                                                          | 27.6% of Canopy     |
| Soils Storage Area**                                                                                                                                                                                                                                   |                         |                                   | 400 sf                  |                            |                                                                                                                                                                                                                              | 4.0% of Canopy      |
| Hazardous Material Storage**                                                                                                                                                                                                                           |                         |                                   | 50 sf                   |                            |                                                                                                                                                                                                                              | 0.50% of Canopy     |
| Pesticide Storage**                                                                                                                                                                                                                                    |                         |                                   | 50 sf                   |                            |                                                                                                                                                                                                                              | 0.50% of Canopy     |
| Tools and Equipment Storage**                                                                                                                                                                                                                          |                         |                                   | 400 sf                  |                            |                                                                                                                                                                                                                              | 4.0% of Canopy      |
| Enclosed Standby Generator**                                                                                                                                                                                                                           |                         |                                   | 25 sf                   |                            |                                                                                                                                                                                                                              | 0.25% of Canopy     |
| Summary of Space Outside of Canopy                                                                                                                                                                                                                     |                         |                                   |                         |                            | Note: The Total Drying Area Shown Equals 5,000 Square Feet which is 1/2 of the Total Canopy. Drying Areas Cannot be Shared Between Licenses. The Harvest Would Require Breaking Down the Plants to Fit Into The Drying Area. |                     |
| Single Processing Building                                                                                                                                                                                                                             |                         |                                   | 3,200                   |                            |                                                                                                                                                                                                                              |                     |
| Agriculture Building Space                                                                                                                                                                                                                             |                         | 2,760                             |                         |                            |                                                                                                                                                                                                                              |                     |
| Other Covered Areas Total                                                                                                                                                                                                                              |                         |                                   | 925                     |                            |                                                                                                                                                                                                                              |                     |
| Total Enclosed and Covered                                                                                                                                                                                                                             |                         |                                   | 6,885                   |                            |                                                                                                                                                                                                                              | 68.8% of Canopy     |
| Immature Plant Area                                                                                                                                                                                                                                    | 2,500                   |                                   |                         |                            |                                                                                                                                                                                                                              | 25% of Canopy Area  |
| Total Outside of Canopy                                                                                                                                                                                                                                |                         |                                   | 9,385                   |                            |                                                                                                                                                                                                                              | 93.85% of Canopy    |
| Total Project Costs Based on Cultivation Area - (27,027 Parcels)                                                                                                                                                                                       |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                     |
| Type of Cultivation                                                                                                                                                                                                                                    | Acres                   | Multiplier                        | Cost per SF             | Cost per Parcel            | Description                                                                                                                                                                                                                  | Total Costs         |
| Feb. 4, 2019                                                                                                                                                                                                                                           |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                     |
| Outdoor                                                                                                                                                                                                                                                | 895                     | 43560                             | 6                       |                            | Permits                                                                                                                                                                                                                      | \$ 233,917,200.00   |
|                                                                                                                                                                                                                                                        | 895                     | 43560                             | 5                       |                            | Construction                                                                                                                                                                                                                 | \$ 194,931,000.00   |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            |                                                                                                                                                                                                                              | \$ -                |
| Mixed-Light                                                                                                                                                                                                                                            | 895                     | 43560                             | 12                      |                            | Permits                                                                                                                                                                                                                      | \$ 467,834,400.00   |
|                                                                                                                                                                                                                                                        | 895                     | 43560                             | 40                      |                            | Construction                                                                                                                                                                                                                 | \$ 1,559,448,000.00 |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            |                                                                                                                                                                                                                              | \$ -                |
| Indoor                                                                                                                                                                                                                                                 | 895                     | 43560                             | 15                      |                            | Permits                                                                                                                                                                                                                      | \$ 584,793,000.00   |
|                                                                                                                                                                                                                                                        | 895                     | 43560                             | 80                      |                            | Construction                                                                                                                                                                                                                 | \$ 3,118,896,000.00 |
|                                                                                                                                                                                                                                                        |                         |                                   | Total                   |                            | Permits and Canopy Area                                                                                                                                                                                                      | \$ 6,159,819,600.00 |
| Processing (See Details Below)                                                                                                                                                                                                                         |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                     |
| 35%                                                                                                                                                                                                                                                    | 2,684                   | 43560                             | \$ 8.00                 |                            | Indoor Space (32% of Canopy)                                                                                                                                                                                                 | \$ 327,362,112.00   |
| 40%                                                                                                                                                                                                                                                    | 2,684                   | 43560                             | \$ 3.00                 |                            | Agriculture Buildings (30% of Canopy)                                                                                                                                                                                        | \$ 140,298,048.00   |
|                                                                                                                                                                                                                                                        |                         | 27,207                            |                         | \$8,500                    | Per Parcel (Soils, Pesticide Storage, Hazardous Materials Storage, Tool and Equipment Storage)                                                                                                                               | \$ 231,259,500.00   |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            | Immature Plant Area                                                                                                                                                                                                          |                     |
|                                                                                                                                                                                                                                                        | 2,684                   |                                   | \$ 0.25                 |                            |                                                                                                                                                                                                                              |                     |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            | Ancillary Buildings                                                                                                                                                                                                          | \$ 698,919,660.00   |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            | Total Project                                                                                                                                                                                                                | \$ 6,858,739,260.00 |
| 8%                                                                                                                                                                                                                                                     |                         |                                   |                         |                            | 8% Contingency                                                                                                                                                                                                               | \$ 548,699,140.80   |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            | Grand Total                                                                                                                                                                                                                  | \$ 7,407,438,400.80 |

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Assuming each licensed project site was to trim and dry onsite, and that at least some of these activities would be located in buildings, which would total 25% of total canopy and that another 25% of the canopy would be located in agricultural buildings, the following assumption could be made.

The total project of 2,684 acres of canopy requires each parcel to have covered and enclosed spaces for hazardous materials storage, pesticide storage, bathroom, and processing area and secured storage area as requirements to obtain permits from the state. The drying could be in an agricultural building, but since utilities are not allowed in these buildings, controlling heat, and humidity would be a challenge for a cultivator. The soils storage area must be covered, and allowance for solid waste disposal, composting must be provided on the site and shown on the site plan. The indoor building space would be less intense than a mixed-light greenhouse space because the lighting and HVAC demands are smaller. Consider that the building needs some type of foundation and some finishing indoors, electric power and minimal HVAC ad would generally include a concrete slab floor, a bare bones structure might cost \$25.00 per square foot plus he costs of site work including the foundation, grading and drainage, utilities and fire protection. The indoor building spaces, agricultural buildings and required spaces for soils storage, hazardous materials storage, and pesticide storage total \$1.2 billion dollars.

The total project cost at buildout would equal \$7,360,421,696 in 2019 dollars. As in all projects a contingency figure should be added if 10% were added to the total project cost the grand total would be about \$8.096 Billion dollars (2019).

*Page 5-10 Continued*

In addition, the 2,684 acres of cultivation area (canopy in EIR) does not include the additional acreage for ancillary buildings and does not include the land area to support solar panels. To meet the 50% future alternative energy requirements and considering that the projects energy calculation were for one month and not a year as discussed earlier, the total land area to provide 50% solar power is estimated at 7,013 acres using current 300 Watt panels at the current 22% efficiency. Ancillary buildings, at 25% of the cultivation area (Canopy) which is not realistic to support these commercial cannabis operations would require an additional 671 acres. If the covered and enclosed ancillary structures were 75%, an amount that is realistically needed, 2,013 arecas of additional land would be required plus the 25% minimum area of the total canopy for immature plants.

*Page 5-10 Continued*

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O-382

*The project would generate an increase in population, employment, and associated housing demand in the County. However, the project would not substantially increase population growth in the surrounding region because it would not require the construction of new housing.*

The project as defined requires a significant number of new houses to be built. Since 27,207 housing units are needed to support the total commercial cultivation, and there are 12,666 existing parcels with housing units in the AG, AR and FR zones 14,541 new housing are needed to provide the project area to support the 27,207 number of permits to be issued. In addition the new 113,173 cultivation and trimming employees will need housing. The available housing in the county total 12,039 housing units based on 2016 data. Over 76,000 additional housing are required to meet the projects total demand for housing. Of the 27,207 housing units required for the project, some individual cultivation sites may be adjacent to properties with a residence which would reduce the total housing demand for the project.

O-383

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*Potential development associated with the proposed ordinance is not anticipated to meaningfully affect employment or other growth in the region, given the size of the regional economy and current conditions. Therefore, the project's cumulative impacts to population, employment, and housing would not be cumulatively considerable.*

The project requires approximately 113,173 total full time employees. See the comment on Page4.12-7. The entire workforce in Nevada County today is 48,654 and the unemployment rate is less than 5%. Even if 3,500 existing cannabis employed the equivalent of 0.75 workers per site, that only provides 2,625 workers towards the total workforce demands for the project.

O-384

*Therefore, the project's contribution to cumulative impacts on public services would not be cumulatively considerable.*

Impacts on public services would be considerable when 14,541 new housing units are added in the AG, AE and FR zones in addition to the 76,790 additional housing units required for the full time employees, which would each have a household size of 2.35 people.

O-385

*The construction of new commercial cannabis operations would add employee vehicle trips to the local roadway system. However, the low number of trips generated by each commercial cannabis operation during the construction phase would be distributed throughout the County roadway network, which has low existing traffic volumes on the local roadways and would not substantially contribute to future traffic operations...*

O-386

The project creates a new workforce larger than total number of people who are currently employed in the county even though there are projected to be a low number of trips per worker. The workers need housing and many would have families who also would add to the daily trips.

O-386  
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Each cannabis cultivation project approved under the proposed NCCO would be required to pay the County's **traffic impact mitigation fees**.

O-387

There is no discussion of mitigation fees in the draft ordinance.

Page 5-12

Commercial cannabis operations would generate additional wastewater flows that contain contaminants and that may not be adequately treated by existing public wastewater treatment systems. The proposed ordinance requires that all premises used for the cultivation of cannabis shall have **a legal and permitted sewage disposal on the parcel or permit illegal discharges of water** from the parcel. Thus, the project's contribution would not be cumulatively considerable.

O-388

Should read: a legal and permitted sewage disposal system on the parcels and not permit illegal discharges of wastewater from the parcel

**The cumulative context for water supplies and infrastructure needs is the service area of the Nevada Irrigation District which supplies public water to most of western Nevada County. Other ground water sources in the unincorporated area of the County would come from groundwater wells.**

O-389

There is no provision that a cultivation site would only use NID water even if the water were available. NID serves many parcels only during April through October and the months in which NID water is not available for these parcels, other water sources would be utilized for cultivation sites which operate year round such as indoor and mixed-light cultivators.

**Operation of individual wells and surface water diversions for new commercial cannabis operations outside of public water systems could also result in reductions in water supply availability to public water systems.**

O-390

This is confusing unless the consideration is that public water systems are using groundwater to supply the public water system. Please clarify.

Although NID has indicated that they have adequate supply to provide water to potential cannabis cultivation sites to which they have existing lines, given that it is unknown whether the public water service providers would have adequate water supply to meet future development needs and potential commercial cannabis operations located within

O-391

*their service boundaries, and the existing ground water supply for some cultivation sites may be inadequate, the proposed NCCO's contribution to water supply would be cumulatively considerable and significant and unavoidable.*

The water use as calculated in this EIR overstates the amount of water used per plant which. When recalculated, as shown in the comments in Section 4.8-34 and 4-8-35 above the water use would decline significantly. Water use shown in the EIR was shown at 17,398 acre feet based on 27,207 parcels. When the water use was recalculated still using the high number of 6 gallons per plant outdoors for a single crop for 6 month of water use, plus 3 crops per year indoors and in the mixed-light cultivations with water saving measures, the total water demand was reduced to 3,875 acre feet. To obtain the 27,207 number of cultivation sites as analyzed in the EIR, 14,541 new housing would be required in the AG, AE and FR zones, assuming that every single parcel would have a residence. The addition of so many new housing units would also need water in addition to the needs for cannabis cultivation. Due to the overall size of the project as defined, plus the housing units needed to support the project, water use could still be significant.

O-391  
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Solid waste in Nevada County is transferred to out-of-County landfills under the contract with Waste Management Systems, Inc.

O-392

Should read: under contract

*The proposed NCCO in combination with the other cumulative projects would not substantially increase the amount of solid waste such that it would require new or expanded solid waste disposal facilities or a use substantial portion the remaining capacity at either facility.*

O-393

The addition of 14,541 new homes in the AG, AE and FR zones along with the other additional housing units required for the project could impact solid waste disposal capacity.

Page 5-12 and Page 5-13 Energy

*The cultivation operations and non-cultivation facilities would comply with the most current energy-efficient standard (i.e., Title 24). These project requirements, combined, would reduce overall project energy use and current energy use by existing cannabis operations. Thus, the proposed ordinance's contribution to this cumulative impact on energy demand would not be cumulatively considerable.*

O-394

*Extension of existing PG&E infrastructure to the more rural parts of the County where cannabis cultivation operations are located is not anticipated to occur because it would be cost-prohibitive for individual permitted sites. Furthermore, the cultivation operations that can use the existing energy grid in the County would be supplied by PG&E, which is anticipated to maintain sufficient capacity to provide power to and through the lifetime of*

*cultivation and non-cultivation sites. Thus, the proposed ordinance's contribution to this cumulative impact related to expansion of energy infrastructure would not be cumulatively considerable.*

The energy use calculations shown in the EIR are misstated. Total energy use was shown at 418.18 gWh which was actually only the project total use for a single month. When multiplied by 12 to obtain the annual energy use, the project total increased to 5,018.07 gWh. These calculations were based on very low energy use assumptions of between 40 and 80 kwh per square foot, while the average energy use for cannabis operations is closer to 150 kWh per square foot annually. A 5% increase was added to the 150 kWh per square foot to provide some additional power outside the canopy area which would bring the total to 157. kWh per square in the indoor and mixed light facilities.

When the total canopy square footage was recalculated using 157.5 kWh per square foot (analysis and calculations are included in the Energy Sect 4.17 in the EIR) the total amount of power required for the project increased to 12,454.79 gWh annually. This is 7.59 times the amount of power used in Nevada County currently. The revised calculations at the higher per square foot energy use rate would be the equivalent of using 6.04% of the entire amount of power being generated in the entire State of California in 2017. Additionally these calculations all assume that there is no power being used in outdoor cultivation and no consideration was provided for providing power to ancillary buildings.

Alternative energy requirement will also come into play for these commercial facilities. The 50% rate of renewable power will be required soon. The impact on alternative and renewable power was not addressed in the EIR. If just solar panels were used, based on the 40 and 80 kWh energy use adjusted for 12 months, over 17.3 million 300 watt solar panels (7,013 acres) would be required at 22% efficiency. Assuming the 157.5 kWh per square foot energy use, 43.1 million 300 watt solar panels (17,407 acres) would be required to power 50% of the project. As described the proposed project would contain 2,684 acres in the cannabis cultivation footprint (canopy). For an average cultivation site at the smaller kWh per square foot figure, 261% of the cultivation footprint would be required for solar panels, and the larger energy use per square foot as calculated would increase this requirement to 648% of the total cultivation footprint (canopy). A 10,000 cultivation site would need between 26,100 square feet to 64,800 square feet of solar panels to provide 50% of the cultivation site power with renewable energy from solar panels, based on 2019 technology.

Other alternative and renewable power sources that may be viable in some locations are wind power, which requires a small footprint compared to solar. However wind is not practical in many locations. Geothermal would be an option to consider in some an area of the state but it is very expensive to develop and there are no geothermal resources in

O-394  
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Nevada County. Bio-mass has had much attention, but the greenhouse gas emissions are very high. Small hydroelectric is possible in some instances, but the environment work required for these projects is expensive and few hydro plants have been approved in California in the past 20 years. Stand-alone generators fueled by natural gas, propane, diesel or gasoline are not allowed as a renewable energy source. There are many ideas about other alternative power generation alternatives; however none have reached the public for the most part. Battery storage is expensive and the battery themselves in many cases contain hazardous materials. Short duration devices like flywheels where energy can be stored for brief periods of time are not a practical solution and are most often used along with other technologies, to help balance the power grid. The 50% reduction will be phased in over time, but the 40% is current law. Cultivation facilities use a great deal of power compared to a house, and there is reason to assume that energy reduction requirements will not apply to these facilities.

O-394  
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Again these energy use figures do not include the 14,541 new homes in the AG, AE and FR zones or the other additional houses required for the employees for the project. In addition there would be additional energy demands for new employees in supporting businesses like the soil and cultivation suppliers, hardware stores and professional service providers which would be required for the total project.

## Section 5.2 Significant and Unavoidable Impacts

Page 5-13

Sections 4.1 through 4.17 of this Draft EIR describe the potential environmental impacts of the project **and recommend various** mitigation measures to reduce impacts

O-395

Should read: and the recommended various

**After implementation of the recommended mitigation measures, which require modification of draft language within the proposed ordinance, most of the impacts associated with implementation of the project would be reduced to a less than significant level.**

O-396

Full impacts of the proposed project have not been adequately addressed. Key areas where impacts have been understated include the need for additional housing, public services the number of employees, the supporting businesses, electric use, renewable energy, the visual impact of a large number of solar panels if used to provide the renewable energy requirements and the amount of potential production of cannabis at project buildout. Water use however was significantly overestimated.

Very few mitigation measures were discussed in the text of the EIR and there was no section of the document where proposed changes to the text of the ordinance are summarized.

The project as defined would have significant and unavoidable impacts for the county.

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## Section 5.3 Significant Irreversible Environmental Changes

Page 5-14

*The project would result in the irreversible and irretrievable commitment of energy and material resources during construction and operation, including the following:*

- *Construction materials, including such resources as soil, rocks, wood, concrete, glass, roof shingles, and steel;*
- *Land area committed to new commercial cannabis-related facilities;*
- *Water supply for project construction and operation; and*
- *Energy expended in the form of electricity, gasoline, diesel fuel, and oil for equipment and transportation vehicles that would be needed for project construction and operation.*

*The use of these nonrenewable resources is expected to account for a minimal portion of the region's resources and would not affect the availability of these resources for other needs within the region. Construction activities would not result in inefficient use of energy or natural resources. Construction contractors selected would use best available engineering techniques, construction and design practices, and equipment operating procedures. Long-term project operation would not result in substantial longterm consumption of energy and natural resources because buildings would be designed using current energy efficient technologies as required by applicable building codes.*

It is not clear that water would be considered a nonrenewable resource. Over drafting of ground water could lower the water table; however rainwater and snow melt capture and storage could be considered renewable.

Nonrenewable resources have been under estimated in the EIR for energy. New housing construction, roadway improvements and expansion of public services to accommodate the new housing will also utilize significant amounts of building materials.

Long term consumption of power was underestimated.

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## Section 5.4 Growth Inducing Impacts

Page 5-15

*These indirect or secondary effects of growth may result in significant environmental impacts. CEQA does not require that the EIR speculate unduly about the precise location and site-specific characteristics of significant, indirect effects caused by induced growth, but a good-faith effort is required to disclose what is feasible to assess. Potential secondary effects of growth could include consequences; such as conversion of open space to developed uses, increased demand on community and public services and infrastructure, increased traffic and noise, degradation of air and water quality, or degradation or loss of plant and wildlife habitat that are the result of growth fostered by the project.*

CEQA also does require that a “worst case” project scenario be analyzed as the baseline project. The number of additional houses need to support the project at buildout, the total energy use of the project and the number of employees required for the project have been underestimated in the EIR. However, the gross amount of cannabis that could be produced from the total canopy was never discussed and could reach some 28.99 million pounds at 100 % production if every square foot produced at capacity. This would include mixed-light and indoor operations producing 3 crops per year and outdoor cultivation one time a year. There would be losses due to testing and general crop losses but even at a 25% loss the amount of cannabis produced would be about 21.74 million net pounds at buildout. Adult users are expected to consume about 3.0 million pounds in the year 2020. Clearly Nevada County is not the only source for cannabis in the state. Understanding that the project will be developed over time is a consideration, but how much time is not discussed in the EIR and all impacts of the project are discussed as of the ultimate buildout. The potential cannabis production capacity should also be analyzed as while not being specific to environmental considerations; it certainly is a social issue and still a controlled substance according to Federal laws. Just image the waste product alone for the individual packaging of over 20 million pounds of cannabis when there are sold in grams or ounces.

Assuming that 28.99 million gross pounds were produced at project buildout, and that the wholesale price for outdoor cannabis remained at \$700 per pound, the indoor portion remained valued at \$1,483 per pound and the mixed-light (Greenhouse) portion would currently be valued at \$971 per pound, total value of the product would equal about \$16.3 billion dollars. Less the 25% loss factor, the net product produced at full buildout would equal \$12.2 billion dollars. Twelve billion dollars would certainly generate a security concern for the community, considering that current laws do not allow these funds to be deposited in banks. That is a great deal of cash to hide under the mattress, and either private security would be needed or some other type of protection would be

O-398

required to protect such large sums of money. Law enforcement resources would be impacted, as cultivation sites could become targets for crime.

While maybe not considered growth inducing, they have been a great deal discussions about farm to market programs. This activity has not been discussed in the EIR, and essentially would allow a cultivator, with the correct licenses, to sell direct from the farm to a retail customer. Currently, one available method allowed by the state, would require at a minimum of three types of licenses be involved, and while all of the requirements outside of the cultivation licensing program are not as familiar, based on limited understanding, a single entity may not be eligible to hold all of the licenses needed accomplish this farm to market scenario. For instance if a cultivator wanted to operate a bed and breakfast and sell brownies to their gusts, there would need to be a cultivation license, a distribution license (collects the tax and has the project tested by a separate licensed lab), a manufacturer license to make the brownies and a dispensary license to sell the brownies being made. Of course there is the issue of consumption on the premises which is not allowed for the cultivation license or the dispensary license as the regulations currently exist, again based on a uniformed understanding of license requirements beyond cultivation. There also may be a transport license somewhere in the mix, or there could be a more streamlined license process than previously outlined, but the real point in this discussion, is that are many cultivators who would like to sell products directly to the public in a farm to market scenario or be able to sell products at a farmers market. Perhaps a project alternative could address this issue, or at the very least some level of environmental impact of this farm to market concept be reviewed in the EIR so that if the county policy changed relating to other licenses beyond just cultivation, there would be some baseline work already completed.

O-398  
cont'd

## 5.5 Growth-Inducing Impacts of the Project

How is the section different from Section 5.4, Growth Inducing Impacts shown in the previous section of the EIR?

O-399

Page 5-16

*The California Department of Food and Agriculture estimates that cannabis production in the state in the year 2016 was approximately 13.5 million pounds, with no anticipated increases in overall production from implementation of Medical Cannabis Regulation and Safety Act (MCRSA) and Adult Use of Marijuana Act (AUMA) by the year 2018 (California Department of Food and Agriculture 2017: 3-22 and 3-23). Thus, substantial growth in cannabis operations state-wide is not expected to occur.*

O-400

The 13.5 million pounds has increase to about 15.5 million pounds based on some recent information, so the statement of no anticipated increases in overall production is not accurate. The year 2021 adult use projections reflect about 3.0 million pounds of cannabis required for adult users in California. The balance of the product is being shipped out of state according to many sources in violation of both state and Federal laws.

The project adds about 28.99 million pounds gross, or about 21.74 million net pounds of cannabis production at project buildout. Assuming that Nevada County currently supplies 10% of the states total of the 2016 figure of 13.5 million pounds and that no other county will increase production beyond current levels. Using the year 2016 figure, the total cannabis supply produced in California would increase from (13.5 million pounds – 10% (1.35 million pounds) plus the 21.0 million pounds of net new cultivation in Nevada County) = 33.15 million pounds. This is a significant increase and does not consider the cannabis regulations being developed or already developed in other cities or counties in the state. Over production is already here and there is much more to come.

O-400  
cont'd

*Implementation of the proposed ordinance is intended to regulate commercial cultivation, processing, and distribution of cannabis in a manner consistent with the existing character and goals of the County. The number of new commercial cannabis operations does not represent a dramatic increase in development or the division of existing properties into numerous parcels for dense and intensified development. The project would not substantially increase population growth in the surrounding region because it would not require the construction of new housing. Commercial cannabis cultivation within the County must be connected with a legal residence.*

O-401

Population growth would be increased because the projects requirement for new workers in addition to the new housing construction requirements as discussed in earlier comments.

Many of the employees necessary during harvest and cultivation are already present within the County and adjoining counties, as evidenced by the level of commercial cannabis cultivation currently within the County. Additionally, the project would not remove barriers to population growth because no new or expanded (beyond what is currently planned) public infrastructure facilities would be installed as part of the proposed project. Potential development associated with the proposed ordinance is not anticipated to meaningfully affect employment or other growth in the region, given the size of the regional economy and current conditions.

O-402

There are estimated 3,500 cultivation sites existing in the county and this EIR has estimated that each cultivation site employees 0.75 workers on average. This totals 2,625 workers in cannabis cultivation. The projected labor force for the project is 113,173 and when 2,625 is subtracted from these figures, 110,548 new workers are required for

the total project just for cultivation and trimming. The soil and supplies of cultivation equipment and nutrients, hardware stores, bookkeeping and other professional service sectors will also increase the needs of new labor. Commercial cannabis cultivation is a business and as such has many more requirements than a backyard grow site and will require many consultants.

O-402  
cont'd

*The project would result in increased revenue with the County, both by residents and the County itself, however, with respect to increased revenue for the County, this is anticipated to increase the ability of the Nevada County Sheriff's Office, Nevada County Code Compliance, and the Nevada County Planning and Building Department to process, monitor, and enforce cannabis-related activities within the County, per the County's requirements. Therefore, the project would not contribute to substantial population growth or be considered growth-inducing.*

The project at completion would generate annual revenue for the county and with a 2.5% tax rate on gross receipts for cannabis cultivation, using the net pounds produced figure of \$12.2 billion dollars local revenue from these taxes would equal about \$30.5 million dollars. Some counties are charging a \$5.00 per square foot cultivation tax; this would equal about \$584,640,000 each year at project buildout if the county shifted to this tax structure. This figure for the county is only derived from gross receipts and not a canopy tax and does not include the additional property tax revenue from the change in assessed value for all of the cultivation site and processing facilities being built. Local sale taxes would increase as well. The financial impacts of the additional cost of services, the additional cost of infrastructure including schools and libraries, impacts on the hospital as a result of adding so many new workers, and the projected revenue stream projected from cannabis cultivation tax and other sources of revenue derived from cannabis cultivation should be prepared and presented in this EIR.

O-403

The project does contribute to substantial population growth and would be considered growth inducing.

## Section 6.0 Alternatives

Page 6-2

*The Draft EIR identified impacts to each resources area in Section 4.1: Aesthetics through Section 4.16: Utilities and Service Systems.*

Should read: identified impacts for each resource area

O-404

Page 6-3

Accordingly, all existing and future project would be required to comply with all applicable development standards and **projects under ADPs** would be required to comply with Section LII 4.3.15 visually important ridgelines and viewsheds.

O-405

Should read: projects under CCPs or ADPs

All future commercial and non-remuneration cultivation areas would be required to maintain a 100-foot setback from the property line, and the NCCO requires that fencing or other screening device block views of the cultivation area

O-406

Solid fences are not required and could draw more attention to the cultivation site.

Cultivation; however, in terms of impacts to sensitive receptors through the use of the **1,000-foot buffer requirements**, would be less than significant. Lastly, although the proposed NCCO would violate the above-listed quality thresholds; all existing and new cannabis cultivation would be required to comply to **applicable greenhouse reduction strategies**.

O-407

The 1,000 setback is not required and would eliminate most parcels from developing commercial cannabis. Even a standard 20 acre site with the 100' setbacks can have issues if there any type of watercourse of the parcel. A 2 acre site if square is 295 feet per side, and the 100 feet setback will be a challenge for most small parcels.

The **applicable greenhouse reduction**, should probably read greenhouse gas reduction

Commercial cannabis cultivation and non-remuneration cultivation under 2,500 sf of canopy would be permitted under a CCP. **For project** with between 2,500 sf and 10,000 sf of canopy, cannabis cultivation project would be permitted under an ADP.

O-408

Should read: Projects

The **proposed NCCO has been amended to include mitigation that would require biological screening and subsequent biological inventories** and other resources studies should existing and future projects be located in areas with known sensitive resources that are known to occur in various regions of Nevada County.

O-409

The State Water Board already has these requirements for all projects.

Page 6-5

These levels are 55 gallons of a hazardous liquid, 500 pounds of a hazardous solid, or **200 cubic feet of compressed gas**.

O-410

Does this requirement include propane gas?

Lastly, **qualifying projects would be required** to submit a Hazardous Materials Business Plan to ensure materials are handled, stored, used, and disposed of in accordance with requirements. As such potential impacts would

O-411

What are qualifying projects?

Page 6-6

Under the proposed project, cannabis cultivation operations could use ground water to irrigate their cultivation areas. **This could substantially deplete groundwater supplies** or interfere substantially with ground water recharge resulting in a net deficit of aquifer volume or lowering of the ground water **table. there may be some projects that would extract groundwater from existing or future wells for water supply.**

O-412

The EIR for the project has significantly overestimated the water use as discussed in previous sections. This section needs to be revisited once the water figures are corrected.

The sentence that starts with: **there** may be some projects

This sentence makes little sense because the previous two sentences have already talked about using groundwater.

Conformance with applicable noise generation reduction requirements, as well implementation of Mitigation Measures BIO-1, which would **require sound reduction for generators. would reduce impacts** to less than significant with the incorporation of mitigation measures.

O-413

Generators can only be used for backup power and if used for the cultivation area must be enclosed..

Should read: require sound reduction for generators, which would reduce impacts

Future development under the proposed NCCO would be phased in, **as project complete the ADP application process.**

O-414

Should read: as projects complete either the CCP or ADP application process

Additionally, it is **expected that most applicants would come from the estimated 3,500 existing parcels on which cultivation is actively occurring.**

O-415

There are 27,207 parcels being included in this EIR evaluation and the existing 3,500 only represent about 12.9 % of the total and that is if every existing cultivation site was in a properly zoned site, on a minimum parcel size and could meet setback requirements.

*Existing County codes and policies for future planned expansion of public facilities and payment of associated development fees and taxes is...*

The tax rate for cultivation was approved by the voters of the county in November of 2018. The draft ordinance does not show development fees, and the EIR has not been specific of what these fees would be used for, how much they would be and when they would be paid. A summary of the all the development fees anticipated for cannabis cultivation should be summarized and included in the EIR.

O-416

Page 6-7

*Due to the potential for the proposed project to contribute an additional 30,705 vehicle trips to location and regional roadways,*

Far more than 30,705 vehicle trips would be added considering the number of new workers required is calculated at 110,548 as shown in other comments contained in this EIR review. Refer to the comments on Page 4.12-7.

O-417

*While some LOS thresholds would be exceeded, as part of the CCP process for cannabis cultivation less than 2,500 sf of canopy and an ADP for cultivation between 2,500 sf to 10,000 sf of canopy.*

Far more than some would be exceeded with the addition of so many new workers as previously discussed.

O-418

*All existing and future projects applying for any discretionary permit would be subject to payment of Traffic Impact Mitigation fees which could be applied toward roadway improvement projects. However, because such fees are not available for solving existing deficiencies, potential funding of improvements to address the existing deficiencies would need to rely heavily upon local sources, which are already committed to existing programs.*

The traffic mitigation fee was not included in the draft ordinance.

O-419

Traffic fees paid cannot be used to solve existing deficiencies which is a nexus argument, while technically applying, does not consider that the project is so large and that new trips being generated from the project as a result of the increase in the work force, has the potential to impact many intersections including those that were impacted before the project.

Impacts to the state highways would also be expected which would include Highway 49 and Highway 20 as well as the smaller state roads.

Page 6-7 Utilities and Service Systems

O-420

Following this section there is no summary on energy. Energy was included as Section 4.17 in the draft EIR. Energy is a very large concern for the total project, since the calculations are wrong for annual power use for the project as well as the amount of energy required per square foot of canopy. Energy was not addressed for the ancillary buildings and there was no allowance for energy use in the outdoor cultivation. Also, the renewable energy requirements were not addressed in the EIR and the impact on the total disturbed area as a result of adding solar panels would be significant. See comments on Page 4.17-10.

O-420  
cont'd

Page 6-8

**Result expansion of the County tax base.**

O-421

Should read: Result in the expansion

**Because a ban would directly conflict with most of the project objectives through a prohibition on all commercial cannabis activities. If this alternative**

O-422

This above text needs revision

A. Medical **marijuana** cultivation may be undertaken by:

1. A qualified patient on a primary legal residence;
2. A primary caregiver on primary legal residence of the primary caregiver or qualified patient;
3. On a legal parcel with legal and permanent residence; and
4. Only for medical purposes.

B. Indoor medical **marijuana** cultivation must occur in a permitted residence and conform to all applicable Land Use Development Codes and cannot occur in a kitchen, bathroom, bedroom, common area, or other location intended for human occupancy.

O-423

C. Medical **marijuana** cultivation will be limited as follows:

1. **Cultivation is prohibited in all R-1, R-2, and R-3 zones is prohibited;**

Should read: cannabis not marijuana

Should read: Cannabis cultivation is prohibited in all R-1, R-2, and R-3 zones except for up to 6 plants personal exemption, cultivated indoors as permitted by state law and which comply with local codes.

## 6.2.2 No Project Alternative

Page 6-10

2. On parcels greater than 2 acres up to 5 acres, **up to 6 plans outdoor** only limited to a single 300 sf area;

O-424

Should read: up to 6 plants

G. All cultivation would also be required to be shielded from public view; shall not adversely affect public health or be a nuisance to neighboring properties; comply with all building, electrical, and plumbing permit requirements; **not exceed electricity usage of 1,200 [(watts)]**; conform to noise standards; obtain written permission from the legal owner; and conform to all accessory structure requirements.

O-425

Is that 1,200 Watts per fixture, 1,200 Watts per square foot, 1,200 Watts total?

H. This Alternative also includes certain conditions, application requirements, and standards needed to obtain a permit from the Community Development Agency Director.

O-426

The “No Project Alternative Section” being described returns the project back to the current cultivation ordinance, which does not require an application or permits.

Under this alternative, fewer ancillary support structures, such as, sheds and greenhouses and hoop houses would be constructed or be visible as they exist because this alternative would **not limit the number of properties that could be cultivated**, due to the plant and size restrictions.

O-427

There is limit of parcels since setbacks and minimum parcel sizes determine what properties can cultivate under the existing ordinance.

Although this alternative would only require 600-foot distances from sensitive sites, this is not expected to result in impacts substantially different from the proposed project, which **would require 1,000 feet from sensitive sites**.

O-428

The state setback requirement for schools is 600’

Page 6-11

This would result in fewer air emissions from construction and maintenance activities. Similarly, under this alternative, there would be smaller cultivation areas, and **permitting would only occur for medical and personal use**.

O-429

There is no permitting requirement under the existing ordinance.

The reduction in cultivation area and plant limits and maintenance of setbacks would reduce impacts to any sensitive receptors in the vicinity of cultivation. Lastly, the smaller

O-430

*permitted cultivation areas* would generate fewer objectionable odors with the potential to migrate off-site and affect adjacent parcels.

O-430  
cont'd

There is no permitting requirement under the existing ordinance.

This alternative also would reduce the potential for instream water diversions because the reduced demand of water for cultivation would be much less costly, and therefore more likely to be supplied by NID or other water providers. In addition, due to the reduced cultivation area and maintenance of setbacks from sensitive streams and wetlands

O-431

What is meant by: reduced demand of water for cultivation would be much less costly? Many illegal water diversions already exist in the county, and just because the regulations come into play regarding the number of plants do not reduce the illegal diversions. These diversions exist either because there is not adequate well water, there is no connection to NID or the water diverted is free compared to the other two sources and they haven't been caught yet.

Page 6-13

Impacts to hazards and hazardous materials under this alternative would be reduced compared to the proposed project. This alternative would reduce the overall cultivation footprint, reduce the potential for disturbance of buried hazardous materials and would reduce the use of and potential release of hazardous materials such as fertilizers and pesticides.

O-432

There are very few hazardous material sites in the county when reviewing the EnviroStor mapping. So while would there be less if there doesn't appear to be great deal to start with.

As discussed above, water demand would be reduced and cultivators would need to obtain less water from NID and other municipal supplier, which would reduce the withdrawal of ground water from wells and reduce the potential for depletion of groundwater supplies.

O-433

What other municipal water suppliers? Only NID has been discussed in the EIR.

Page 6-14

Noise impacts under this alternative would be reduced compared to the proposed project. This alternative would substantially reduce the overall project footprint and reduce the scale of cultivation areas within individual parcels. This would reduce the potential for noise generated by construction of new accessory structures and reduce

O-434

noise from operation of equipment and machinery needed for cultivation **such as tractors,** fans and generators.

O-434  
cont'd

Tractors are not typically used in cannabis cultivation and considering the footprint of the cultivation sites, any tractor work to level the sites is very small and if earthwork exceeded 50 cubic yards permits would be required.

*As discussed in population and housing above, the proposed project is not expected to induce substantial population growth within the County and would not directly increase the demand for public services. It is expected that under this alternative, the existing public services including law enforcement, fire, schools, and parks for residents would remain the same if this alternative is implemented. In addition, all cultivation areas would be required to comply with applicable fire codes and **implement a security plan** which would assist in reducing impacts to these services.*

O-435

There is no security plan required under the existing ordinance other than fencing of the cultivation site.

Page 6-14, 6-15

*In sum, this would have the effect of maintaining the existing demand placed on public services. Therefore, impacts under this alternative to law enforcement, fire, schools, parks, **and any other public facilities is substantially the same and the proposed project.***

O-436

The proposed project includes 27,207 parcels, while the existing cultivation area contains about 3,500 parcels. The additional jobs, the need for housing units discussed in earlier comments, plus the need for up to 6% of the total electric power generated in the state for the proposed project, makes the two projects very, very different.

## **RECREATION**

*An increase in demand on recreational resources is typically associated with an increase in population. As discussed above in population and housing and public services, neither the proposed project nor this alternative is expected to result in substantial population growth.*

*Therefore, impacts associated with recreation **would be similar to the proposed project.***

O-437

The proposed project includes 27,207 parcels, while the existing cultivation area contains about 3,500 parcels. The additional jobs, the need for housing units discussed in earlier comments, plus the need for up to 6% of the total electric power generated in the state for the proposed project, makes the two projects very, very different.

## **TRANSPORTATION AND TRAFFIC**

Neither this alternative nor the proposed project would result in the construction of new public roads, interfere with emergency access, and neither has the potential to affect air traffic. Although similar in some regards, due to the reduced cultivation footprint, impacts would be less than the proposed project.

O-438

The proposed project includes 27,207 parcels, while the existing cultivation area contains about 3,500 parcels. The additional jobs, the need for housing units discussed in earlier comments, plus the need for up to 6% of the total electric power generated in the state for the proposed project, makes the two projects very, very different.

## UTILITIES AND SERVICE SYSTEMS

This section did not discuss energy use or compare the alternatives electric use with the proposed project.

In addition, most cultivation would occur on properties with established residences that if not using OWTS, would already be using and not increase the demand for wastewater treatment such that new facilities would be needed.

O-439

Define OWTS and reword: would already be using a public sewer system and would not increase the demand...

This would not require the demand for substantial drainage facilities, however, all uses would be required to comply with all storm water drainage permits including complying with NPDES and obtaining proper permits from the appropriate regional water quality control board.

O-440

Cannabis Projects which are smaller than 1,000 square feet and up to 2,000 square feet depending on setbacks to watercourses are not required to register with the State Water Board.

NID has noted that adequate water supply is available to serve the proposed project and this alternative, although less water would be required under the "No Project" alternative. Therefore, impacts under this alternative would be slightly reduced compared to the proposed project.

O-441

The NID service area does not cover the entire proposed project and many parcels in the HID service area are only supplied water between April and October. Year round cultivators would require other water sources. In addition, about one day per month, NID adds chemicals to the water which would be harmful to plants, and may cause cannabis plants to fail laboratory testing. On these days, water needs to be supplied from other sources or drawn from onsite water storage tanks.

## THIRTY PERCENT CULTIVATION ALTERNATIVE

**Comments for the Thirty Percent Cultivation Alternative, the No Groundwater Cultivation Alternative, Cultivation Allowed in RA Zones Alternative, and the No Permanent Structures in Designated Farmland Alternative, in addition to the comments on Section 6.3 Environmentally Superior Project; Pages 6-16 through 6-39, will be provided under separate cover.**

*Page 6-16*

Comments for this section and the remainder of the Draft EIR will be provided under separate cover.

O-442



## Response to Comment Letter O - Gary Baker (1 –442)

**Response to Comment O-1:** The commenter provides introductory remarks about the Draft EIR and the areas of concern. This comment was introductory, and no environmental issues or concerns were raised. No further response is required.

**Response to Comment O-2:** The commenter notes the interim targets of Senate Bill 350 should be “50 percent by 2027”. The interim target for 2027 has been updated to the correct goal of “45 percent by 2027” in Section 4.3, Air Quality and Greenhouse Gas Emissions, page 4.13-15 of the Draft EIR.

**Response to Comment O-3:** The commenter questions burning of cannabis waste and wants clarification. The proposed project would not allow burning of cannabis waste. The commenter is referred to **Response to Comment C-13** for additional information. No further response is required.

**Response to Comment O-4:** The commenter states that 3,500 existing operations, if converted to legally permitted sites, would not result in the same impact on air quality as new project sites. The comment is noted. The projects have been included to provide a conservative analysis. It is unknown in what exact zoning designation all existing cultivation sites are located and it is unknown what size the existing cultivation sites are. Some cultivation sites may be over the allowable canopy and some may be under. Some cultivation sites are likely in areas outside the AE, AG, and FR zones and would require removal. Similarly, the cultivation sites within AE, AG, and FR that would be permissible may expand to reach the maximum canopy area or may require some deconstruction to match requirements. Therefore, because the existing cultivation sites would likely require some amount of construction or deconstruction, and because the exact area is unknown, to capture all impacts the 3,500 were included as part of the overall evaluation. It should be noted that regardless of their inclusion or exclusion or using a percentage to try to capture what portion of construction or deconstruction would occur, construction impacts in this regard would remain significant and unavoidable.

**Response to Comment O-5:** The commenter notes the 27,207 AE, AG, and FR zoned parcels used in the DEIR analysis and that based on a table the commenter located within these parcel designations with residences would be 12,666, leaving 14,541 parcels that would need new residences to enable cultivation unless an adjacent commonly owned parcel had a residence. The commenter then provides the table used for calculations. No environmental issues or concerns were raised. No further response is required.

**Response to Comment O-6:** The commenter provides background information about the existing number of temporary permits that were issued and discusses the amount of cannabis that could be produced from use of all eligible Nevada County parcels, and the length of time the commenter projected to complete buildout to occur. No environmental issues or concerns were raised. No further response is required.

**Response to Comment O-7:** The commenter questions what is meant by the term “run” on page 4.3-22. The commenter questions the use of Industrial Land Use, states agricultural should be used or the air quality calculation will be overstated. The emissions model conducted for the proposed project are described in the Project Emissions Methods section of section 4.3 (Air Quality) of the Draft EIR. As described in the Draft EIR, three separate project scenarios were modeled (i.e., run) in order to understand how emissions vary between different types of cultivation. The 20-acre run refers to an outdoor cultivation scenario. The, 10,000 square foot run refers to an indoor cultivation scenario. A 10,000

square foot run was also conducted for a mixed-light scenario. These runs were scaled as necessary in order to estimate full buildout emissions. The land uses described in the modeling were used for analysis purposes and are do not necessarily reflect actual land uses. Since CalEEMod does not include cannabis specific land uses, similar model land uses were used as a proxy. The analysis is conservative but does not overstate impacts because project specific data was incorporated into the model where applicable.

**Response to Comment O-8:** The commenter states that using the methodology to calculate odor impacts overstates the impacts because not all growers will use the fully allotted square foot (sf) footprint. The commenter also notes that indoor cultivation areas are required to control odors from their operations.

The commenter is referred to **Response to Comment K-4**, regarding the use of the 27,207 parcels. In part the use of all the parcels was done because changes to the NCCO language (largely in response to changing regulations and input received from involved parties and stakeholders), it was not practical for the County to screen out certain parcels from analysis prior to, during, or even after preparation of the DEIR. The NCCO is not yet adopted and is a fluid document, meaning it has, and likely will continue to undergo revisions based on comments, public requests, and environmental compliance. The commenter is referred to subsection 11.2.1 Revisions to the Proposed NCCO and DEIR in *Section 11.0 Responses to Comments*, Therefore, because the final constituency of parcels that may or may not be appropriate for cultivation, the DEIR evaluated the impacts of the proposed NCCO using all appropriately zoned parcels.

Regarding the use of odor control for indoor cultivation, the commenter is referred to **Response to Comment M-4** regarding the reduction of odor from indoor cultivation.

**Response to Comment O-9:** The commenter copies page 4.3-27 of the DEIR in relation to odors. The commenter states that the numbers are overstated due to the use of the square footage, requests the use of the exponent be made a simple decimal, states no description of why the concentrations are different, and comments on the other uses that can impact residents.

Regarding the potential for overstating impacts, the commenter is referred to **Response to Comment O-8** and **Response to Comment K-4**. The commenters concern over the use of the decimals is noted but no changes to the FEIR have been made.

The difference in values of concentration is explained by the increasing difference. Per the commenters request, this has been further clarified in the FEIR explaining the decreasing concentration as distance increases.

**Response to Comment O-10:** The County understands that other uses may result in odor impacts. The DEIR; however, was only concerned with potential impacts from cannabis cultivation and hence, did not include the potential odor impacts or compare odor impacts from cow manure, other agricultural operations, or roofing operations. No further response is required.

**Response to Comment O-11:** The commenter notes setbacks, questions what the 1,000-foot setback is referring to and questions the term sensitive receptor. The commenter notes indoor would require the filters, and comments regarding a number of other variables that can affect how much odor is produced and discusses the potential use an essential oil vaporizer to reduce odors from outdoor cannabis cultivation.

The commenter suggests that the air quality impacts be recalculated based on the actual number of cannabis grows, consider some of the existing 3,500 grows would require little construction and determine the odor impacts of various sizes of cannabis grows.

The commenter notes that it is unclear what the 1,000 setback is referring to. As discussed on page 4.3-28 of Section 4.3 Air Quality and Greenhouse Gas Emissions and page 3.0-37 of Chapter 3.0 Project Description, the setback distance required as part of the proposed project is 1,000 feet from any sensitive receptor. A variance to reduce the setback to 300-feet of a State or federal park may be approved by the Planning Commission to allow accessory structures provided the structure is 300 feet from the property line and the area is inaccessible by the public and is unimproved.

The commenter notes there is no clarification for “sensitive receptor.” Page 4.3-4 of *Section 4.3 Air Quality and Greenhouse Gas Emissions* defines sensitive receptors as a location where human population (especially children, senior citizens, and sick persons) are present.

Regarding indoor controls for odor control, the comments are noted, and the commenter is referred to **Response to Comment M-4** for additional discussion.

The commenter also is referred to **Response to Comment O-5** and **O-8** and **Response to Comment K-4** regarding the use of all 27,207 parcels and cultivation area. No further response is required.

**Response to Comment O-12:** For clarification the acreage and name of Sierra Nevada yellow-legged frog have been revised. No additional impacts would occur. No further response is required.

**Response to Comment O-13:** For clarification, the text, “and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” has been deleted.

**Response to Comment O-14:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-15:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-16:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-17:** Commenter notes the ventilation of the sheds. All proposed and existing structures used for cultivation purposes would be required to be constructed to county codes including ventilation. No changes to the FEIR are required.

**Response to Comment O-18:** The commenter questions the impacts of disturbance associated with the estimated existing 3,500 cultivation sites and questions how MM BIO-2 can be required of existing cultivation sites. The comment then states there is no county process for abandonment, or mitigation once abandoned. The commenter is correct, the measure would be required for and implemented when one of the commercial cannabis operations applied for a permit. The balance of the comments do not question the DEIR or raise a related pertinent environmental consideration. The proposed NCCO pertains to a permitting process for existing as well as new commercial cannabis cultivation and does not contain any elements related to remediation of former cultivation sites. No further response is required.

**Response to Comment O-19:** The commenter reiterates the containment shed should be ventilated. The commenter is referred to **Response to Comment O-17**. No further response is required.

**Response to Comment O-20:** The commenter restates the 25% area for accessory structures is not adequate. This comment is noted and will be reviewed by the Planning Commission. No further response is required.

**Response to Comment O-21:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-22:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-23- :** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required

**Response to Comment O-24:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-25:** The commenter questions the use of the term “Clustering” and states it appears to be used in terms of residential development. The county concurs that the term would typically apply to residential development; however, in regard to the proposed NCCO, it also is applicable to cultivation to avoid sensitive habitats and environmental features. The commenter is referred to the following policies that appear in *Section 3.0 Biological Resources*:

- Policy 13.1      Where significant environmental features, as defined in Policy 1.17, are identified during review of projects, the County shall require all portions of the project site that contain or influence said areas to be retained as non-disturbance open space through clustered development on suitable portions of the project site, or other means where mandatory clustering cannot be achieved.
- Policy 13.4H      Non-development buffers shall be maintained adjacent to perennial stream corridors through the use of clustering, the designation of a Planned Development, or the implementation of other siting and design tools. Buffers shall be sufficient in size to protect the stream corridor for movement, as well as provide some adjacent upland habitat for foraging.
- Policy 13.8      As part of the Comprehensive Site Development Standards, include measures applicable to all discretionary and ministerial projects to minimize disturbance of heritage and landmark trees and groves. These measures shall include, but are not limited to, requirements for on-site vegetation inventories and mandatory clustering of development in areas likely to support such vegetation or habitat.

**Response to Comment O 26:** The comment notes an omitted “X” in the table. The “X”’s have been added. No further response is required.

**Response to Comment O 27:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to indicate the Paleontological Resources Preservation Act of 2002

provides protection from excavating, removing, or altering a paleontological resource located on Federal land. No further comment is required.

**Response to Comment O-28:** The commenter requests a definition of “research design,” as listed in County Policy. A research design can be generally defined as a procedure/strategy/instruction to evaluate a resource. No further response is required.

**Response to Comment O-29:** The commenter states that impact to agricultural lands is elevated and alternatives for cannabis cultivation on other land should be included in the EIR. The commenter is referred to Section 4.2 Agricultural Resources, specifically Impacts 4.2-4 and 4.2-5 in relation to conversion of Timberland and Conversion or Agricultural Land and found impacts significant and unavoidable. No further response is required.

The DEIR considered a reasonable range of Alternatives and did consider the Cultivation in RA Zones, which would allow cannabis cultivation in a different zone. The commenter is referred to **Response to Comment K-41** for a discussion of CEQA requirements and Alternatives. Based on the existing zoning code and allowable uses the zones in which cannabis cultivation would be permitted under the proposed NCCO, AE, AG, and FR, are the most appropriate for the use. No further response is required.

**Response to Comment O-30 -** The commenter questions the requirement of CEQA for a paleontological resource if there is no jurisdiction from the state or local agency. The commenter is correct in the citation. However, as stated in the DEIR, “Consideration of paleontological resources is required by CEQA (see Appendix G of the CEQA Guidelines).” In addition, State CEQA Guidelines Appendix G sets forth the threshold, “Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?” Therefore, to comply with CEQA an evaluation of the potential for impacts to paleontological resources is required and was included to the DEIR and FEIR.

**Response to Comment O-31:** The commenter reiterates the apparent inconsistencies between jurisdiction and CEQA regarding evaluation of impacts to paleontological resources and requests resolution in the EIR. The commenter is referred to **Response to Comment O-30**

**Response to Comment O-32:** The reference to the RA zone has been removed.

**Response to Comment O-33:** The sentence, “and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” has been removed for clarification.

**Response to Comment O-34:** The reference has been revised to clarify the distance is 50 feet.

**Response to Comment O-35:** The revisions have been included to the FEIR.

**Response to Comment O-36:** The revisions have been included to the FEIR.

**Response to Comment O-37:** The revisions have been included to the FEIR.

**Response to Comment O-38:** The sentence, “and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” has been removed.

**Response to Comment O-39:** The revisions have been included to the FEIR.

**Response to Comment O-40:** The revisions have been included to the FEIR.

**Response to Comment O-41:** The comment is in reference to a grammatical, spelling, word choice, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-42:** The commenter states information regarding NDPES permitting and the General Order Permit and lists three categories of growers that it would not apply to. This portion of the EIR is meant provide a general overview and as discussed in the text are provided in additional detail in Section 4.8 Hydrology and Water Quality. The commenter also is referred to **Response to Comments F-3, F-5, F-11, F-12, F-13, G-8, and J-7**, for additional clarification on water quality permitting requirements. No further response is required.

**Response to Comment O-43:** The sentence, “and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” in the location mentioned has been removed. No further response is required.

**Response to Comment O-44:** The comment is noted and the FEIR has been revised to clarify the requirements under both an ADP and CCP. This revision does not result in any additional impacts but clarifies the permitting process and requirements to ensure impacts remain less than significant. No further response is required.

**Response to Comment O-45:** The comment is noted and the FEIR has been revised to clarify the requirements under both an ADP and CCP. This revision does not result in any additional impacts but clarifies the permitting process and requirements to ensure impacts remain less than significant. No further response is required.

**Response to Comment O-46:** The commenter state that there is no requirement that existing operation must apply for a commercial cannabis permit. The commenter further states that the existing violations would continue and there is no abatement procedure for current cultivation that does not comply with the ordinance. The commenter speculates that the cultivation will continue. The commenter further discusses the limitation on permit issuance and states that the EIR should consider that the existing 3,500 cultivation sites will continue, the associated on-going impacts will continue, and appropriate mitigation should be developed to respond to these conditions.

The County disagrees with the commenter that there is no requirement for the existing estimated 3,500 cultivators to register. The proposed NCCO is clear about designating unpermitted cannabis cultivation as a nuisance and provides details regarding the consequences of continuing cultivation commercial cannabis. The commenter is referred to Subsection J -Enforcement; Notice to Abate Unlawful Cannabis Activities of the proposed NCCO. More specifically, this section states

1. Issuance of Notice to Abate Unlawful Cannabis Activities (“Notice to Abate”)

Whenever the Permitting Authority, as may be assisted by the Enforcing Officer, determines that a public nuisance as described in this Article exists on any Parcel or Premises within the unincorporated area of Nevada County, he or she is authorized to notify the Violator(s) through issuance of a “Notice to Abate Unlawful Cannabis Cultivation”; provided, however,

that nothing in this Article shall affect or preclude the Sheriff, or other Enforcing Officer, from taking immediate abatement action without notice to address any Cannabis which is Cultivated, possessed, or distributed in violation of state law or when Cannabis Cultivation constitutes an immediate threat to the public health or safety, and where the procedures set forth herein would not result in abatement of that nuisance within a short enough time period to avoid that threat. (Ord. 2416, 7/26/16)

## 2. Costs and Administrative Civil Penalties; Cure Period

Whenever a Notice to Abate is issued, the Violator shall be provided with five (5) calendar days from date of service, as defined in Section B.1, to correct the violation before imposition of costs and/or civil penalties as set forth in Section N, below.

Section N, further details the potential costs and penalties which in part states:

“In any enforcement action initiated by a Notice to Abate, any Violator shall be liable for all costs incurred by the County, including, but not limited to all costs and attorneys’ fees as described in this Section. Any such Violator shall also be liable for any and all administrative civil penalties described in this Section.”

The balance of the section further elaborates on additional penalties and costs that can be incurred.

Therefore; the commenter is correct, that some existing cultivation may continue unpermitted and outside the regulations contained in the proposed NCCO. Regarding the comment that additional mitigation is needed to curb any continued illegal cultivation, the County has in essence, included mitigation in the ordinance in the form of the substantial costs, penalties, and fines for those who continue illegal cannabis cultivation. Lastly, as the commenter notes, the cultivation sites, even if they choose to continue to operate illegally on their existing footprint, they are considered part of the baseline conditions; and therefore, would not exacerbate or result in any impacts associated with Geology and Soils beyond that which is already occurring.

The proposed NCCO is developed for the purpose of permitting commercial cannabis cultivation. Aside from setting forth the consequences of cultivating illegally, a detailed analysis of the potential for cultivators to continue acting illegally and analyzing the potential enforcement of those illegal actions, should cultivators choose to operate outside the structure of the proposed NCCO, is outside the scope of the DEIR and FEIR. No further response is required.

**Response to Comment O-47:** The commenter cites text from page 4.6-32 of the DEIR and states again that without having regulations in place that require the removal of existing facilities it is unlikely a less than significant finding is warranted. The commenter is referred to **Response to Comment O-46**.

**Response to Comment O-48:** In response to the DEIR statement that some cultivation is likely on steep slopes, the commenter notes that cultivation on slopes >50% percent will not be issued a permit and 30% to 50% slopes require are in the High-Risk Category. The commenter also notes utility trenching and asks if there are specific grading requirements for projects not on steep slopes or prone to erosion.

The County recognizes the use of steep slopes requires certain considerations and additional erosion control measures and mitigation. Regarding the commenters question regarding grading requirements,

the Commenter is referred to subsection 4.6.2 Regulatory Setting of *Section 4.6 Geology and Soils*, which describes the state as well as local grading requirements such as those in the Land Use Development Code, Municipal Code Resource Standards, and General Plan policies. The commenter also is referred to the regulatory setting in *Section 4.8.2 Hydrology and Water Quality*, which provides additional detail on erosion control measures and NPDES permitting.

**Response to Comment O-49:** The FEIR has been revised to name the CVRWQC and LRWQCB. No further response is required.

**Response to Comment O-50:** The commenter restates Comment O-41. The commenter is referred to **Response to Comment O-41**. No further response is required.

**Response to Comment O-51:** The comment notes that the height (20 feet) of any antenna structure when filing notice for construction or alteration is not very high. According to 14 CFR § 77.9 - Construction or alteration requiring notice, a “notice for construction or alteration of any antenna structure of 20 feet or less in height, except one that would increase the height of another antenna structure” is correct. No further response is required.

**Response to Comment O-52:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-53:** The commenter states the setback of 0.25 miles on the referenced page should be consistent with the 1,000-foot setback in the proposed NCCO. The 0.25 miles is not in reference to a setback, it is in reference California Education Code Section 17213(b) requiring notification of hazardous materials sites. This comment is noted, and no further response is required.

**Response to Comment O-54:** The commenter restates comment O-41 and O-53. The commenter is referred to **Response to Comment O-41**. No further response is required.

**Response to Comment O-55:** DTSC refers to the Department of Toxic Substances Control. DTSC is defined on first use on page 4.7-3 of *Section 4.7, Hazards and Hazardous Materials*. No further response is required.

**Response to Comment O-56:** The Nevada County website states. “Businesses must complete a Hazardous Materials Business Plan (HMBP) for the safe storage and use of chemicals. In general, a business must submit a HMBP if it stores/handles hazardous material equal to or greater than the minimum reportable quantities which are: 55 gallons of a hazardous liquid; 200 standard cubic feet of a compressed gas, including oxygen; 500 pounds of a hazardous solid. No further comment is required.

**Response to Comment O-57:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-58:** The commenter questions how unpermitted cultivation will be inspected for hazardous materials. The commenter is referred to **Response to Comment O-46**. The proposed NCCO is developed for the purpose of permitting commercial cannabis cultivation. Aside from setting forth the consequences of cultivating illegally, a detailed analysis of the potential for cultivators to continue acting illegally and analyzing the potential enforcement of those illegal actions, should cultivators choose to operate outside the structure of the proposed NCCO, is outside the scope of the DEIR and FEIR.

The commenter is correct in that the standards and specific requirements refer to hazardous materials and not geology and soils. The FEIR has been revised. No further response is required.

**Response to Comment O-59:** The comment is in reference to an incomplete sentence. The FEIR has been revised to a complete statement. No further comment is required.

**Response to Comment O-60:** The commenter notes the different of 0.25 mile versus 1,000 feet. The commenter is referred to **Response to Comment O-53**. No further comment is required.

**Response to Comment O-61:** The commenter states the ordinance does not provide a path to permit without being an owner or obtaining permission. In a similar way to Geology and Soils the commenter notes the hazardous materials violations will continue without direct removal and abatement. The commenter is referred to **Response to Comment O-46** and **O-58**. No further comment is required.

**Response to Comment O-62:** The commenter is referred to **Response to Comment O-46** and **O-58** regarding compressed propane tanks. No further comment is required.

**Response to Comment O-63:** The sentence, “and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” has been removed for clarification. No further comment is required.

**Response to Comment O-64:** The commenter reiterates the previous statements regarding elimination, abatement, and needed mitigation and suggests an abbreviated permit. The commenter is referred to **Response to Comment O-46** and **O-48**. Regarding the abbreviated permit, that is not included in the proposed NCCO, but this comment will be referred to the Planning Commission for their review. No further comment is required.

**Response to Comment O-65:** The commenter reiterates the previous statements regarding elimination, abatement, and needed mitigation and suggests that there is little incentive for unpermitted sites not to use pesticides. The commenter then states law enforcement only takes plants that exceed the limit. The commenter requests an abbreviated permit process to transfer to other uses. The County acknowledges that continued impacts may occur; however, it would not be a result of the proposed NCCO but negligence on the part of former cultivators or from illegal cultivation for those who continue unpermitted. Regarding the abbreviated process to change uses, there is no County deterrent for denying any existing cultivator to cease operations and begin growing an agricultural product. The commenter is referred to **Response to Comment O-46, O-58, and O-61**. No further comment is required.

**Response to Comment O-66:** The commenter reiterates the previous statements regarding elimination, abatement, and needed mitigation and suggests that dust and soils from unattended soils may be washed into streams and unsecured hazards could be dispersed. The County acknowledges that this may occur; however, it would not be a result of the proposed NCCO but negligence on the part of former cultivators or from illegal cultivation for those who continue unpermitted. The commenter is referred to **Response to Comment O-46, O-58, O-64, and O-65**. No further comment is required.

**Response to Comment O-67:** The sentence, “and would require to registration with the enforcing officer, and through an administrative action, obtain proof of registration,” has been deleted. No further comment is required.

**Response to Comment O-68:** The commenter is referred to **Response to Comment O-46, O-58, and O-65** regarding abatement. No further comment is required.

**Response to Comment O-69:** The sentence, “and would require to registration with the enforcing officer, and through an administrative action, obtain proof of registration,” has been deleted. No further comment is required.

**Response to Comment O-70:** The commenter is referred to **Response to Comment O-46, O-58, O-61, and O-65** regarding removal of the unpermitted site. No further comment is required.

**Response to Comment O-71:** The commenter questions the difference in the 100’ setback, 1,000-foot setback and 0.25 miles from a school. The commenter is referred to **Response to Comment O-4, O-11, and O-53**, There is no requirement for the County to use the same 600-foot setbacks as the state. No further comment is required.

**Response to Comment O-72:** The sentence, “and would require to registration with the enforcing officer, and through an administrative action, obtain proof of registration,” has been deleted. No further comment is required.

**Response to Comment O-73:** The commenter restates that there is no requirement to apply for permits. The commenter is referred to **Response to Comments O-46**. No further comment is required.

**Response to Comment O-74:** The commenter reiterates the previous statements regarding elimination, abatement, and needed mitigation and suggests that dust and soils from unattended soils may be washed into streams and unsecured hazards could be dispersed. The commenter is referred to **Response to Comment O-46, O-58, O-61, and O-65**. No further comment is required.

**Response to Comment O-75:** The section has been revised and the city reference is deleted, and the correct County reference has been inserted. No further comment is required.

**Response to Comment O-76:** The commenter reiterates the previous statements regarding elimination, abatement, and needed mitigation and suggests that dust and soils from unattended soils may be washed into streams and unsecured hazards could be dispersed. **Response to Comment O-46, O-58, O-61, and O-65**. No further comment is required.

**Response to Comment O77:** the section regarding fire hazard severity has been revised for clarity. No further comment is required.

**Response to Comment O-78:** Sec. L-II 4.3.18 Wildland Fire Hazard Areas in the Nevada County Land Use Development Code discuss the Fire Protection Plan (FPP) to be approved by the Nevada County Fire Marshall and/or his/her designee. “Nevada County” was added for clarity. No further comment is required.

**Response to Comment O-79:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-80:** The commenter is incorrect in the comment in that “New Bullards Bar Reservoir” is the correct name for the reservoir. The statement is correct as is. No further comment is required.

**Response to Comment O-81:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-82:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to define SWRCB and CWA on first use. No further comment is required.

**Response to Comment O-83:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-84:** The commenter states existing rural roads should have been a part of the baseline. The commenter is referred to **Response to Comment H2-2** and **J-9**.

**Response to Comment O-85:** The commenter requests the source of the fecal pollution called out in Wolf Creek and French Ravine. The source of the pollution is outside the scope and reasonable expectations for discussion in this Program EIR. No further response is required.

**Response to Comment O- 86:** “Water Quality Limited Segment(s)” is the correct term.

The comment is in reference to layout of the document. The FEIR has been revised. No further comment is required.

**Response to Comment O-87:** The County notes the figure is somewhat blurry but it conveys the information required. No further comment is required.

**Response to Comment O- 88:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with, “downstream.” No further comment is required.

**Response to Comment O-89:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised, with the word, “dam.” No further response is required.

**Response to Comment O-90:** The commenter disagrees with the statement that construction sites are the largest source of sediment for urban areas under development. No further response is required.

**Response to Comment O-91:** The commenter states excessive nutrients can runoff the site. The County agrees with the commenter.

**Response to Comment O-92:** The DEIR was stated a fact from the General Plan EIR regarding the presence of heavy metals. Source is not discussed in the DEIR as it is out of the scope of the proposed NCCO. No further comment is required.

**Response to Comment O-93:** The commenter raises questions and gives a statement regarding septic systems. All future commercial cannabis cultivation projects would be required to implement comply with all SWRCB, CVRWQCB, LRWQCB, and County requirements related to wastewater and wastewater treatment. The commenter is referred to **Response to Comment F-1, F-2, and G-8**. No further comment is required.

**Response to Comment O-94:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to add an “s”. No further comment is required.

**Response to Comment O-95:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word, “developer,” has been replaced with, “development”. No further comment is required.

**Response to Comment O-96:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to include the word, “the”. No further comment is required.

**Response to Comment O-97:** The commenter requests additional information. In the referenced document Cannabis Cultivation Policy – Principles of Guidelines for Cannabis Cultivation (this title has been added to the FEIR), page 11 specifically lists the ground water requirement under the heading Groundwater Requirements:

Groundwater Requirements:

“To address potential impacts of groundwater diversions on surface flow, the State Water Board’s Deputy Director for Water Rights (Deputy Director) may require a forbearance period or other measures for cannabis groundwater diversions in areas where such restrictions are necessary to protect instream flows. Such areas may include watersheds with: high surface water-groundwater connectivity; large numbers of cannabis groundwater diversions; and/or groundwater diversions in close proximity to streams. An aquatic base flow was developed at each compliance gage<sup>11</sup> during the surface water forbearance period (dry season) to inform the need for additional actions to address impacts associated with cannabis groundwater diversions. The aquatic base flow was established in consultation with CDFW. The aquatic base flow is established using USGS flow modeling data to calculate mean monthly flows and applying the New England Aquatic Base Flow Standard (ABF Standard) methodology at the compliance gages in the nine priority regions. The aquatic base flow is the set of chemical, physical and biological conditions that represent limiting conditions for aquatic life in stream environments. This Policy allows the State Water Board to apply the ABF Standard to the USGS flow modeling data to calculate an aquatic base flow Requirement at additional compliance points, as needed, throughout the state. The State Water Board will monitor instream flows during the dry season and evaluate the number and location of cannabis groundwater diversions to determine whether imposition of a groundwater forbearance period or other measures are necessary. To address potential localized effects of groundwater diversions on surface water flow, the State Water Board will also monitor where significant numbers of surface water diverters are switching to groundwater diversions to evaluate whether imposition of a groundwater forbearance period or other measures are necessary. ***The State Water Board will notify cannabis cultivators of the possibility that a groundwater forbearance period or other measures may be imposed so that the cultivators can install storage, coordinate diversions, take measures to secure alternate water supplies, or identify other measures to address the low flow condition.***”

The commenter is provided the link to the document as follows: ([https://www.waterboards.ca.gov/board\\_decisions/adopted\\_orders/resolutions/2017/final\\_cannabis\\_policy\\_with\\_att\\_a.pdf#page=33](https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2017/final_cannabis_policy_with_att_a.pdf#page=33) the cited by the commenter there is additional information.)

The term groundwater appears 51 times in the document where other requirements and groundwater protections are listed. No additional response is required.

**Response to Comment O-98:** The reference to the EIR has been removed and the sentence revised for clarity. No additional response is required.

**Response to Comment O-99:** The County agrees the Tiers under the CVRWQCB will no longer apply. The table; however, remains in the FEIR as a point of reference for readers. The text also has been clarified to explain the difference and the new and revised requirements.

**Response to Comment O-100:** The Commenter is correct that the RWQCB will issue permits under the new General Order. This is explained in the text of the DEIR and FEIR. However, LRWQCB will retain authority and responsibility in the region.

**Response to Comment O-101:** Regarding the use of septic and leach fields the commenter is referred to **Response to Comment O-93 and G-8**.

**Response to Comment O-102:** The commenter is referred to *Section 4.16 Utilities and Service Systems* which discusses the Sustainable Groundwater Management Act. The DEIR states:

“The Sustainable Groundwater Management Act (SGMA) is a relatively new state law that will impact groundwater use in California. Under the SGMA, Groundwater Sustainability Agencies (GSA) must be formed to govern groundwater use over particular geographic boundaries. The GSA’s must develop Groundwater Sustainability Plans (GSP) that “sustainably” manage groundwater basins among the various current and future water users. The development of GSP’s in Nevada County is ongoing and are only mentioned to reiterate that there may be future regulatory standards for groundwater extraction in certain areas of the County that are derived from GSP development.”

The commenter also is referenced to the discussion of the Martis Valley Groundwater Basin, which states in part (also in *Section 4.16 Utilities and Service Systems*):

“Area 4 encompasses the portion of the Martis Valley Groundwater Basin located in Nevada County. The Martis Valley Area is governed by two important water management programs: the TROA and the Martis Valley Groundwater Basin Groundwater Management Plan (MVGMP). The Martis Valley Area has also established a Groundwater Sustainability Agency under the Sustainable Groundwater Management Act and will produce a Groundwater Sustainability Plan by the statutory deadline in June of 2022. The Martis Valley Groundwater Sustainability Plan will be the governing document for managing groundwater in the entire Martis Valley groundwater basin in the future.”

No further response is required.

**Response to Comment O-103:** The commented is noted and discusses limitation on the use of recycled water. No further response is required.

**Response to Comment O-104:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to read, ‘developers.’ No further comment is required.

**Response to Comment O-105:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-106:** The commenter references a County policy for well log data and asks questions about data availability. Impact 4.8-2 in *Section 4.8 Hydrology and Water Quality* answers these question in stating the following:

“Groundwater use for individual wells is not currently regulated within the unincorporated areas of the County, and well users are not required to monitor and provide well logs. As previously stated, it is unknown how much groundwater is currently being used in the County through individual wells.”

No further response is required.

**Response to Comment O-107:** The commenter references a County policy for septic tank/leach field data. Evaluation of any existing County data on these systems, subsequent summary of findings, and preparation of maps or exhibits depicting these systems within the County is beyond the scope of, and not needed to analyze impacts associated with waste disposal using the systems. The commenter is referred to Impact discussion 4.16-1 in *Section 4.16 Utility and Services Systems*, as well as response to comment **Response to Comment F-2, F-13, and G-8**, for additional information for permitting of wastewater disposal and discharge.

**Response to Comment O-108:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-109:** The sentence, “, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” has been removed on the listed pages.

**Response to Comment O-110:** The verbiage, “and dispensing cannabis,” has been removed. No further response is required.

**Response to Comment O-111:** The commenter states limiting the accessory area to 25% of canopy is not adequate. This comment does not raise an environmental issue or question the adequacy of the DEIR. The comment will be considered by the Planning Commission. No additional response is required.

**Response to Comment O-112:** The commenter reiterates and provides examples of why limiting the accessory area to 25% of canopy is not adequate. The commenter states that for evaluation purposes, 100% of the cultivation area should be evaluated. The comment is noted, and the extensive information provided by the commenter regarding needed facilities and the space they require will be reviewed by the Planning Commission. The DEIR evaluated the proposed NCCO based on the proposed 25% accessory area. Accordingly, the 100% area the commenter suggests was not specifically evaluated. As discussed, the Planning Commission will consider this request, and if it is determined that additional accessory use space fall under the scope of the EIR, the proposed NCCO could be revised and include that value.

**Response to Comment O-113:** the commenter states requirements related to the SWRCB. The comment is noted. No additional response is required.

**Response to Comment O-114:** the commenter discussion state license requirements as it pertains to needed space for accessory areas. The comment is noted and will be considered by the Planning Commission. The commenter is referred to **Response to Comment O-112**.

**Response to Comment O-115:** An acre is 43,560 sf. Even if accessory areas for cultivation areas occupying 10,000 sf was permitted at 100%, this would total 20,000 sf, or less than 50% of an acre. The comment is noted and no changes to the EIR are required.

**Response to Comment O-116:** The commenter states that rooftop drainage could be captured and reused, and imperious surface drainage could be captured allowing sediments to settle before discharge. The County concurs. These strategies could be used to reduce water quality impacts. Water use and drainage plans will be reviewed during the planning process and evaluated on a site-by-site basis. No further response is required.

**Response to Comment O-117:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-118:** The commenter states most cultivators will be required to comply with regulations pertaining to clean water. The County concurs, and the commenter is referred to **Response to Comment O-107**.

**Response to Comment O-119:** Applicants will be advised of the potential impacts of streamside development and made aware of all state requirements. No further response is required.

**Response to Comment O-120:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-121:** The mention of Tier 3 has been removed per the commenters suggestion. No further comment is required

**Response to Comment O-122:** The sentence, “, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” has been removed on the listed pages.

**Response to Comment O-123:** The commenter notes that water demand for the proposed project is overstated in the DEIR. In subsequent comments the commenter elaborates on this statement and provides a different evaluation of estimated water consumption. State CEQA Guideline §15151 Standards for Adequacy of an EIR discusses disagreement in the evaluation of impacts. Specifically, this §15151 states:

“An EIR should be prepared with a sufficient degree of analysis to provide decision makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in the light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure.”

The DEIR utilized the Water Supply Evaluation for the Nevada County Draft Cannabis Ordinance prepared by Tully & Young, dated December 2018. As discussed in the WSE there are numerous discussion explaining the reasoning and source of water demand information. Page 1-2 discussed the Water Demands and States:

“Water Demands: Based upon the land use data, unit water demand factors are assigned to all land areas based upon the land use classifications and other relevant factors. The unit water demands are presented at the level of detail applicable to the draft Ordinance that may affect unit water demands. Like other water planning documents, the water use information grounding the analysis is “reasonably available information” that helps inform decisions.”

Page 2-2 further describes the methodology and states:

“After reviewing the details of the proposed Ordinance and the growing methods allowed by the Ordinance, a water use comparison was identified. The water demand information was derived from a Cannabis Water Use Study published in the Humboldt Grower in 2015. The methodologies identified here consisted of the traditional Proposition 215 related method of outdoor cultivation and was compared to modern indoor bed cultivation.<sup>9</sup> The methodologies in this WSE use the information in this analysis and adjust that information where applicable based upon Nevada County’s climate and geography, the identified growing parameters provided by the Ordinance, and applicable growing methodologies that may be used in Nevada County.”

The WSE goes on to describe variances in the amount of water used between indoor, mixed-light, and outdoor cultivation. These differences are from a number of factors including but not limited to; variation in humidity and climate controls; variations in planting beds; biomass support; planting cycles, etc. The WSE then applied these variations to the different growing methods. And concluded, “Thus, although outdoor cannabis cultivation may have a higher water use for a single planting, the indoor cannabis cultivation uses more water because there are potentially as many as four plantings that can occur in a year.”

Based on this methodology, briefly summarized above, the WSE estimated the commercial grow water demand based on the zoning, parcel acres, total parcels, and estimated maximum water use. The SWE concluded that the proposed project, under full cultivation would require approximately 17,650 AFY per year if all parcels are developed to the maximum allowable cultivation. Regarding the use of the all potential parcels for commercial cannabis cultivation, the commenter is referred to **Master Response 1** regarding baseline conditions, and **Response to Comment K-4**, and **K-12**.

**Response to Comment O-124:** the commenter reiterates the dispute with using all 27,207 parcels for the basis of analysis. The commenter is referred to **Master Response 1** regarding baseline conditions and **Response to Comment K-4**, and **K-12**.

**Response to Comment O-125:** The County understands the requirements related to information and demands to obtain a State cannabis license. The statement the commenter references is in regard to County requirements not the State requirements.

**Response to Comment O-126:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further response is required.

**Response to Comment O-127:** The commenter reiterates that the water use rates are exaggerated. The commenter is referred to **Response to Comment O-123**.

**Response to Comment O-128:** The commenter is noted, and the text was revised for clarity and includes the language, “or cannabis would be more typically cultivated in raised beds, or pots usually made of a permeable material.” No further response is required.

**Response to Comment O-129:** The commenter cites the DEIR statement that the County does not have a mechanism to regulate groundwater, reiterates disagreement with the water use estimates and requests the section be revised. Within this comment the commenter explains why the use of the total 27,207 parcels is overstated and unrealistically inflates demand. The commenter provides data with a table showing rural parcels with residences that is less than the total number of parcels in the AE, AG, and FR zones with or without residential units. These comments are noted.

The commenter is referred to **Response to Comment O-123**, and **Response to Comment K-4**, and **K-12**. Regarding ways to reduce water consumption the commenter is referred to **Response to Comment C-20**, **K-27**

**Response to Comment O-130:** The commenter reiterates that impacts to water use are overstated. The commenter highlights three portions of the DEIR as follows:

“As such, there is a distinct lack of scientifically developed and peer reviewed published crop data supported by government institutions,”

“Nevertheless, there is sufficient publicly available information that allows for an analytical evaluation to calculate water demands associated with cannabis production in Nevada County;” and

“After reviewing the details of the proposed Ordinance and the growing methods allowed by the Ordinance, a water use comparison was identified. The water demand information was derived from a Cannabis Water Use Study published in the Humboldt Grower in 2015.”

The commenter summarizes previous comments pointing out that there is a distinct lack of scientific data related to cannabis water use but there is sufficient publicly available information for an analytical evaluation of the water used for cannabis cultivation. The commenter continues and disputes the water demand utilized in this EIR because it was derived from information from the Humboldt Grower in 2015, a number that is now disputed by the Emerald Growers Association (the group that replaced the Humboldt Growers).

The County agrees with the commenter that there is a distinct lack of scientific data regarding water use, but concurs that other sources are available. Along these lines, the commenter disagrees with the use of the Humboldt Growers, which the commenter claims the water use is too high. The commenter cites language in regard to the 5-year study from the same website claimed to be conducted from 2010-2014. The commenter notes that as part of the study a water use value of as 1.75 gallons per day per plant for 180 days was realized.

State CEQA Guideline § 15151. STANDARDS FOR ADEQUACY OF AN EIR states the following:

“An EIR should be prepared with a sufficient degree of analysis to provide decision makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in the light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure.”

While the County recognizes the commenters referenced studies, it is critical to note that the study the commenter references provided the following qualifying language:

“Our hypothesis is that if we grow more and smaller plants while finishing them over a shorter life cycle, we can greatly reduce the total number of gallons it takes to grow a pound of cannabis.”

In other words, to reach the lower water use value, a very specific growth methodology was used. In this particular instance the study claims a water use rate of 1.75 gallons. While the County appreciates the commenters effort and time to make the calculations, the County finds it unlikely, or not reasonably feasible, that cultivators under the proposed NCCO will go to such lengths as to mirror the methodology in the listed study in order to reduce water consumption to a rate of 1.75 gallons per day.

Additionally, it should be noted that the study referenced by the also included a control group of cannabis plants from which the results water use rates showed a much greater water use rate of 4.375 an average gallon of water a day per plant (unit) or 2.625 gallons greater. Based on this, the commenters referenced study exhibits a large degree of disagreement.

To summarize, the County acknowledges the discrepancy between the estimate used in the DEIR versus what may be realized. However; the County utilized a water use value that would most likely capture the total volume of water that would be needed for commercial cannabis cultivation under full utilization of the allowable parcels. The County recognizes that the commenter disagrees with both methodologies. In this regard the commenter is referred to **Response to Comment K-4**, which discussed the reasoning for using all eligible parcels. Regarding this comment, the commenter is referred to **Response to Comment O-123**, which explains CEQA allowance for disagreement between experts. No further response is required.

**Response to Comment O-131:** The commenter provides additional calculation notes regarding water use. This comment is noted. No further response is required.

**Response to Comment O-132:** The total water use has been revised to 17,417 acre/feet. The County observes the commenters RA calculations.

**Response to Comment O-133:** The commenter notes the water calculations assume 100% and a 150 to 180-day season.

**Response to Comment O-134:** The commenter reiterates the disagreement with the 6 gallons per day use rate. The commenter is referred to **Response to Comments O-123 and O-130**. The commenter also reiterates that using 27,207 parcels is unreasonable and that not all parcels will meet eligibility. The commenter is referred to **Response to Comment K-4** regarding this comment.

**Response to Comment O-135:** the sentence, “, and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration.”

**Response to Comment O-136:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with the word, “flooding.” No further response is required.

**Response to Comment O-137:** In addition to the cited text, the commenter is noting other reasons SWRCB permits that may be required of cultivators. The permits are listed in the FEIR.

**Response to Comment O-138:** The commenter is correct that the method he describes may be used to connect to storm water drainage facilities by some cultivation sites. Other may use the method from the DEIR cited in the comment. No further response is required.

**Response to Comment O-139:** The commenter restates other reasons SWRCB permits may be needed required of cultivators. The comment is noted, and the permits are listed in the FEIR.

**Response to Comment O-140:** The text has been revised for clarity. “If new structures are proposed that could result in violations,”

**Response to Comment O-141:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required

**Response to Comment O-142:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-143:** The commenter is correct, and the comment is noted. The map does not show Kern County. No revisions to the FEIR are required.

**Response to Comment O-144:** The commenter is correct regarding the reading of the Goal and Policy. This comment does not question or relate to the adequacy of the DEIR. No further response is required.

**Response to Comment O-145:** The policy is does not specifically refer to private sewer and water systems. Private sewer and water systems would be allowed where County code allows. This comment does not question or relate to the adequacy of the DEIR. No further response is required.

**Response to Comment O-146:** The comment is noted. The sentence has been revised for clarity. The comment does not raise any environmental issues or address the adequacy of the Draft EIR, and thus no further response is needed.

**Response to Comment O-147:** The comment is noted. The sentence has been revised for clarity. The comment does not raise any environmental issues or address the adequacy of the Draft EIR, and thus no further response is needed.

**Response to Comment O-148:** The comment is noted. The sentence has been revised for clarity. The comment does not raise any environmental issues or address the adequacy of the Draft EIR, and thus no further response is needed.

**Response to Comment O-149:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised. No further comment is required.

**Response to Comment O-150:** The first comment is in reference to word choice. The FEIR has been revised to replace the term “marijuana” with “cannabis”.

The second comment is in reference to the date of when the draft ordinance was presented to Board of Supervisors.

**Response to Comment O-151:** The comment is in reference to word choice. The FEIR has been revised to replace the term “marijuana” with “cannabis”.

**Response to Comment O-152:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with the updated language, “Now, in addition to the allowances made by California law allowing the possession, transport, or transfer of cannabis to other adults 21 or older, and the cultivation up to 6 plants per residence and possess the cannabis produced by these plants; the Town of Truckee adopted updated land use regulations allowing commercial cannabis delivery services”. No further comment is required.

**Response to Comment O-153:** The comment is in reference to referring to Higgins Corner Area Plan as “Higgins Area Plan”. The FEIR has been revised to “Higgins Corner Area Plan”.

**Response to Comment O-154:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to “Loma Rica Industrial Area Plan (LRAP)”. No further comment is required.

**Response to Comment O-155:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to read-only, “NSJAP”. No further comment is required.

**Response to Comment O-156:** The comment is correct that the County has no FOR zone. The FEIR has been revised to “FR Zoning”. No further comment is required.

**Response to Comment O-157:** The commenter notes that Policy LU-3.7 should be clarified. The FEIR has been revised with a dash (-) between the words, “Water Conservation,” and “Size Soda Springs” No further response is required.

**Response to Comment O-158:** The commenter cites Impact 4.9-1. The balance of the comment is a restatement of previous comments, or a brief summary of what the proposed NCCO would allow. The commenter does not question the adequacy of, or comment on the DEIR. No further response is required.

**Response to Comment O-159:** The comment is noted, and the sentence has been revised. A summary table of all the mitigation measures is provided in *Section 2.0 Executive Summary*. No further response is required.

**Response to Comment O-160:** The sentence, “would require registration with the enforcing officer through an administrative action. The reference to personal use cultivation on RA parcels has been revised for clarification. No further response is required.

**Response to Comment O-161:** The sentence has been revised for clarity. No further response is required.

**Response to Comment O-162:** The sentence has been revised for clarity. No further response is required.

**Response to Comment O-163:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to “20-acres”. No further response is required.

**Response to Comment O-166:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with the updated language, “Because some are not applicable, such as those pertaining to new residential developments, or design standards for commercial sites, they have not been included in the respective *Sections 4.1: Aesthetics* through *4.16: Utilities and Service Systems*”. No further response is required.

**Response to Comment O-167:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised with the updated language, “Future applicants future applicant wishing to permit an existing or new cultivation for personal use or for a commercial cannabis cultivation operation under the proposed NCCO would be required to conform to all applicant requirements listed in the NCCO as well as the County General Plan.” No further response is required.

**Response to Comment O-168:** The sentences have been revised for clarity. No further response is required.

**Response to Comment O-169:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to “Existing as well as proposed cannabis cultivation projects, however, could result in conflicts resulting in impacts through potential inconsistencies with the General Plan primarily in relation to public services, as well as numerous policies focused on natural resource protection, water quality, vegetation, hillside protection, and visual resources”. No further comment is required.

**Response to Comment O-170:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to “If placement of project-related buildings or support facilities such as (e.g., cultivation accessory and support facilities, such as outbuildings and warehouses; new service roads and parking areas) and other public utilities and infrastructure connections (e.g., irrigation systems, water lines and tanks) that may be installed to support these activities, could result in physical environmental impacts”. No further comment is required.

**Response to Comment O-171:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to “Impacts associated with specific resource areas are discussed in Sections 4.1: Aesthetics through 4.17: Utilities and Service Systems”. No further response is required.

**Response to Comment O-172:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to “The proposed NCCO would not authorize cultivation on any public land, or land in an incorporated city, so direct impacts in these areas would not occur.” No further response is required.

**Response to Comment O-173:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to delete, “allow”. No further response is required.

**Response to Comment O-174:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to delete, “following.” No further response is required.

**Response to Comment O-175:** The word “City” is not capitalized. The City of Grass Valley Municipal Code uses the word, “marijuana.” No change to the FEIR has been made.

**Response to Comment O-176:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to delete the, “f”. No further response is required.

**Response to Comment O-177:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to delete the word, “approximately”. No further response is required.

**Response to Comment O-178:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to include the word, “they.” No further response is required.

**Response to Comment O-179:** The comment is in reference to a grammatical, spelling, or other syntax error. The sentence in the FEIR has been revised to include the read, “...associated with loss of the availability of those resources resulting from...” No further response is required.

**Response to Comment O-180:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to delete the words, “around the world.” No further response is required.

**Response to Comment O-181:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the sentences now read, “This is exemplified by the early business districts and Victorian neighborhoods in Grass Valley and Nevada City. The heritage and history of mining not just in those areas but throughout the County is protected today.” No further response is required.

**Response to Comment O-182:** The words, “the Surface Mining and Reclamation Act,” have been added. No further response is required.

**Response to Comment O-183:** The list includes mines that were relatively recently active. The Empire Mine closed in 1956, is a State Historic Park and is discussed in the Local Setting. No further response is required. No changes to the FEIR have been made. No further response is required.

**Response to Comment O-184:** Since the publishing of the Notice of Preparation (NOP) was published and during the drafting of the EIR, the California Department of Conservation listed the mines as active. No changes to the FEIR are required. No further response is required.

**Response to Comment O-185:** The comment references mining claims. Mining claims are not necessarily mines. Hence, there were more mining claims than total mines. No changes to the FEIR are required.

**Response to Comment O-186:** The comment regarding DOGGR is noted. DOGGR was previously abbreviated. No further response is required.

**Response to Comment O-187:** the “)” after SMARA has been added. No further response is required.

**Response to Comment O-188:** The Mineral Resource Maps were the from the best data source available and made as legible as possible. The commenter can view the maps digitally here: <https://maps.conservation.ca.gov/mineralresources/> No further response is required.

**Response to Comment O-189** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to delete the sentence, “and individuals engaging in cultivation for personal use would be required to register with the enforcing officer and obtain proof of registration.”

**Response to Comment O-190** The referenced sentence has been revised to read, “...arise from commercial cannabis cultivation activities including trimming, and drying, and use of facilities permitted...” No further response is required.

**Response to Comment O-191:** The sentence immediately above the cited section of the DEIR includes a discussion that states, “Certain land uses are particularly sensitive to noise, including schools, hospitals, rest homes, long-term medical and mental care facilities, and parks and recreation areas.” No changes to the FEIR have been made and no further response is required.

**Response to Comment O-192:** Mobile Sources of noise are discussed in Impact 4.11-3 in *Section 4.11 Noise*.

**Response to Comment O-193** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and “State” has been capitalized.

**Response to Comment O-194:** The County’s General Plan Noise Element identifies noise criteria to be used for determination of land use compatibility within exterior noise environments. Uses including auditoriums, concert halls, and amphitheaters are generally considered more noise sensitive; hence they have a lower threshold. No further response is required.

**Response to Comment O-195:** The sentence, “would require registration with the enforcing officer through an administrative action” has been deleted. No further response is required.

**Response to Comment O-196:** The word, “not,” has been deleted. No further response is required.

**Response to Comment O-197:** The phrase, “would occur on sites no less than two-acre,” has been deleted. No further response is required.

**Response to Comment O-198:** The commenter reiterates comments regarding accessory areas. The commenter is referred to **Response to Comment O-111, O -112, O-115, and O-170**.

**Response to Comment O-199:** The commenter is referred to **Response to Comment O-195**. The word, “not,” was deleted. No further response is required.

**Response to Comment O-200:** The sound reduction is in relation to the Inverse Square law which states that in a free field sound will decrease by 6dB with each doubling of distance. It should be noted that the decibel (dB) scale is logarithmic and not linear. The dB scale uses the hearing threshold of 20 micropascals (μPa) as a point of reference, defined as 0 dB. Other sound pressures are then compared to this reference pressure, and the logarithm is taken to keep the numbers in a practical range. The dB scale allows a million-fold increase in pressure to be expressed as 120 dB, and changes in levels correspond closely to human perception of relative loudness. Therefore, the Inverse Square Law applies at all

distances for point sources in the free field. The analysis in the Draft EIR uses a standard reference distance of 50 feet to determine noise levels at 100 feet. No further response is required.

**Response to Comment O-201:** The County recognizes that not all cultivation activities would use tractors or other heavy equipment; however, it or similar machinery may be used and therefore is evaluated in the DEIR. It should be noted, that in cases which use of the types of vehicles was modeled, impacts were less than significant. No further response is required.

**Response to Comment O-202:** The reference to “Timber Production Zone,” was deleted. No further response is required.

**Response to Comment O-203** The sentence has been revised to state, “Generators used for projects under both CCPs ADPs would be required to comply with applicable noise standards.” No further response is required.

**Response to Comment O-204:** The commenter reiterates that not all cultivation uses tractors and briefly describes activities. The commenter is referred to **Response to Comment O-201**. No further response is required.

**Response to Comment O-205:** The commenter is correct that distribution is not authorized under the proposed NCCO. In this instance, distribution is more accurately described as transporting product to a processing facility. This has been revised in the FEIR to read, “...cultivation and transport of cannabis to off-site processing facilities. These activities would occur for relatively short periods, particularly during harvesting and immediately following.” No further response is required.

**Response to Comment O-206:** The commenter states confusion over the setback requirements (1,000 feet from sensitive site and 600 feet under State Requirements) and cites text from Proposition 64. The commenter is referred to **Response to Comment O-11, O-53, and O-71**. In sum, there is no requirement for the County to use the same 600-foot setbacks as the state. No further response is required.

**Response to Comment O-207:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to add the word, “year.” No further response is required.

**Response to Comment O-208:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to include the sentence “Typically, zoning districts near airstrips are related to agriculture...” No further response is required.

**Response to Comment O-209:** Cannabis facilities, should they happen to be in an airport influence area or other such zone would be required to comply with federal restrictions such as height limitation. No further response is required.

**Response to Comment O-210:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to include the “D.” No further response is required.

**Response to Comment O-211:** The commenter notes the growth rates presented in Table 4.12-1 *Nevada County Projected Population through 2060*. The text has been revised to reflect the correct 0.4% growth rate not 0.04%. No further response is required.

**Response to Comment O-212:** The commenter questions the use of the growth rate and questions there will be as many people in the County as CDOF projects. The comment is noted. The sentence in the FEIR was revised for the purpose of clarity. The commenter is referred to **Response to Comment O-211**. No further response is required.

**Response to Comment O-213:** The commenter estimated 9,900 new housing units would be needed by 2060 based on the CDOF population estimated. The comment is noted. No further response is required.

**Response to Comment O-214:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to include read, “100%” in the table. No further response is required.

**Response to Comment O-215:** The commenter provides estimates on the existing number of cannabis cultivation sites and the amount cannabis produced. The commenter then summarizes the allowable cultivation areas under the proposed NCCO and states that there are numerous variables to determine needed employees. The comment is noted. No further response is required.

**Response to Comment O-216:** The data source (10.2%) in the table is from the Nevada County General Plan Housing Element 2014-2019, and the 11.6, as shown in the cited text, is from the 2010 Census. The comment is noted. No further response is required.

**Response to Comment O-217:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to include an “and.” No further response is required. In addition, COG is shown as, “Council of Governments.” No further response is required.

**Response to Comment O-218:** Regarding the RHNA boundaries, the DEIR states, “Regional Housing Need Allocation (RHNA) is the state-mandated process to identify the total number of housing units (by affordability level) that each jurisdiction must accommodate in its housing element of the general plan.” Regarding the commenters statement about housing imbalance, the comment is noted. No further response is required.

**Response to Comment O-219:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to include an “ing.” No further response is required.

**Response to Comment O-220:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to delete the word, “aesthetic.” No further response is required.

**Response to Comment O-221:** The sentence, “The proposed project includes a registration process for personal use cannabis cultivation.” has been deleted. No further response is required.

**Response to Comment O-222:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to include the word “indoors.” No further response is required.

**Response to Comment O-223:** The commenter provides an estimate of the total number of employees that would be required assuming all 27,207 parcels are cultivated to their fullest extent. The commenter provides different variables such as the size and type of cultivation operation, if machines are used, and how fast the cannabis can be harvested and trimmed. The commenter also discusses other variables such as crop loss, testing failures, efficiency of the trimmers, and hours worked. The commenter provides three different calculation alternatives for calculating the needed labor force and includes a table showing the breakdown of cultivation areas and employee demands to arrive at a total project demand of 113,173

employees. Calculation Alternative 2 would require 117,774 employees, and under Calculation Alternative 3, a total of 37,411 total cultivation employees would be required but this calculation seems to omit trimmers. The commenter also states that additional indirect workers would be needed to serve needs of the cannabis industry. The commenter concludes by noting that the DEIR shows a demand for 22,866 employees, which does not take into account additional workers for support services. The Commenter concludes that based on the previous calculations above in the Labor Used in the Existing Cultivation Sites section, the 3,500 existing cultivation sites employ about 3,665 people on a full-time equivalent basis.

This comment is noted. The commenter is referred to *Section 4.12 Population and Housing*. Table 4.12-5: *Employment Requirements and Parameters for Each Production Method* has been added to the FEIR. The information in this table is based on a study entitled *Economic Impact Analysis of Medical Cannabis Cultivation Program Regulations* prepared by ERA Economics, LLC on January 27, 2017. This report was commissioned by the State of California. The County recognizes that the commenter disagrees with the number of employees. The commenter is referred to **Response to Comment O-123 and O-130**, which explains how CEQA views disagreement. It should be noted the table includes the facets of cultivation requested by the commenter. No further response is required.

**Response to Comment O-224:** The commenter states that housing is underestimated in the DEIR. The commenter goes on to discuss the number of persons per household and uses 2.35 persons for the purposed of calculations. The commenter then calculates the occupied units for the incorporated cities. The commenter then makes a calculation assuming a 22% vacancy rates and determined there would be 12,666 AE, AG, and FR zoned properties with houses, of which 9,803 would be occupied. The commenter then attempts to determine the additional housing needs and determined 27,207 less 12,666 is 14,541 new housing units. The commenter qualifies this; however, based on the allowance for adjacent parcel residences. Ultimately, the commenter states that the result would be demand 91,331 new housing units to meet the needs of the project with 76,790 occurring outside the allowed zones.

This comment is noted. The comment details differences in the potential demand for housing but does not specifically raise any questions regarding the adequacy of the DEIR. No further response is required.

**Response to Comment O-225:** The commenter states that there will be additional population growth as a result of the commercial cannabis on the AG, AE, and FR properties. The commenter notes that the 113,173 full-time workers will have families and have an average household size of 2.35 persons which, according to the commenter would result in a total increased population of 242,919 people or 246% greater than the 2016 population. This would result in the need for 76,790 new housing units. The commenter then calculates additional housing and population growth in RA parcels and concludes 26,707 additional people would require 11,365 additional homes.

This comment is noted. The comment details the potential demand for housing but does not specifically raise any questions regarding the adequacy of the DEIR. No further response is required.

**Response to Comment O-226:** The commenter summarizes the housing and population and writes the following:

“The combined project would require  $91,331 + 11,365 = 102,696$  new housing units to support full commercial cannabis production in the AG, AE, FR and RA-Rural zones.;

The total commercial cannabis employees would total  $113,173 + 13,889 = 127,062$  full time employees;

The total county population would increase by  $242,919 + 26,707 = 269,626$  people; and

The supporting industry employees and housing need are not included in the above figures.”

This comment is noted. The comment details the commenters calculations for potential population increase and associated increased demand for housing but does not specifically raise any questions regarding the adequacy of the DEIR. No further response is required.

**Response to Comment O-227:** The commenter provides an analysis of cannabis production and assumes the developing 116,928,000 sf or 4.2 square miles of cannabis on the 27,207 parcels. The commenter notes that current estimates show in 2017 there were about 2.253 million pounds of cannabis consumed. The commenter then calculates the total cannabis produced by the Nevada County Cultivation and arrives at approximately 29 million pounds.

This comment is noted. The comment details the potential total pounds of cannabis produced in the County but does not specifically raise any questions regarding the adequacy of the DEIR. No further response is required.

**Response to Comment O-228:** The commenter notes cannabis demand and states there were approximately 68,000 cultivation sites producing approximately 13.5 million pounds of cannabis annually. The commenter notes that of the 2,786-temporary cultivation permits it is estimated that the cannabis yield is 41.3 grams per square foot or as high as 47.8 grams per square foot.

This comment is noted. The comment details the output of cannabis produced in the state but does not specifically raise any questions regarding the adequacy of the DEIR. No further response is required.

**Response to Comment O-229:** The commenter provides an estimation of only outdoor cannabis production in Nevada County of 12,322,049 pounds. The commenter then writes, “the EIR has calculated every aspect of the project at the highest possible impact level and the cannabis production figures should also be considered at the highest level for consistency.” This commenter further notes that, “the maximum amount of production for one single county is unrealistic and these forecasts should not be used to calculate the water demand or any other impact in the EIR for the Draft Ordinance.” The 2018 production statewide is estimated at 15.5 million pounds. In 2015/2016 approximately 11 million pounds of the 13.5 million pounds produced was exported out of state.

The County does utilize an approach to assess the total 27,207 parcels under the existing AE, AG, and FR zoning designations. The commenter is referred to **Response to Comment K-4**, in this regard. However; the DEIR does not evaluate the amount of cannabis that would be cultivated. For the same reasons and constraints listed in **Response to Comment K-4**, uncertainty about what parcels will be cultivated, the amount of cultivation that will take place, the types of cultivation, market conditions, etc. there are far too many variables to determine the total production of cannabis that could occur from future projects.

State CEQA Guideline § 15064 Determining the Significance of the Environmental Effects Caused by a Project. Section (d)(3) states:

“An indirect physical change is to be considered only if that change is a reasonably foreseeable impact which may be caused by the project. A change which is speculative or unlikely to occur is not reasonably foreseeable.”

Therefore; until such time that, on a case-by-case basis, cultivators prepare and submit their cultivation and operations plan, and until final cultivation yields are calculated, the total values will not be known. Individual cultivators may choose to estimate their cultivation yields at the time their applications are being processed and included to project specific planning documents and subsequent CEQA analysis if applicable. However; for this information to be provided in DEIR or FEIR, providing the total cultivation yields, would be speculative and not appropriate for analysis per CEQA. No further response is required.

**Response to Comment O-230:** The commenter provides the existing demand for cannabis and a calculates the area of land needed for cannabis production to meet the demand. The commenter notes production yields and losses of the various cultivation methods (indoor, mixed-light, and outdoor) and concludes that theoretically, 374 one-acre farms could supply the entire state demand in 2020 of which the commenter notes the unregulated market will of course supply at least half. The commenter further notes that these are considerations for the state level lawmakers, who to date, have allowed virtually unlimited canopy sizes by allowing hundreds of Temporary Cultivation permits to be issued to just a small group of entities.

The County notes the commenter’s calculations and agrees that statewide, the number of permits is dependent on state regulations. The County does not have authority for permit issuance outside the County boundaries or in incorporated areas within the County. The County has attempted to be responsive to both State licensing requirements as well as stakeholders, existing cultivators and future cultivators, as well as concerned members of the public in crafting the proposed NCCO. The commenter is referred to **Response to Comment C-3, C-4, and O-229**. This comment is noted. The comment details

the land needed for cannabis production but does not specifically raise any questions regarding the adequacy of the DEIR. No further response is required.

**Response to Comment O-231:** The commenter makes a statement about the unregulated cannabis market and states that these activities will continue due to the high costs associated with regulation and the transition to a regulated market will take a great deal of time and be a factor for many years.

The County acknowledges that the unregulated cannabis market plays a role in the cost and viability of cannabis that is produced by the licensed market or those growers attempting to become licensed. An analysis of the effects of the unregulated market and fiscal impacts; however, are outside the scope of the environmental and CEQA process for this project. It should be noted that one of the main objectives of the proposed NCCO is to develop a process through which cultivators can become licensed and enter the regulated market. This comment does not specifically raise any questions regarding the adequacy of the DEIR. No further response is required.

**Response to Comment O-232:** The commenter makes notes that the 3,500 sites are included in the baseline and asks if they are being double counted. The commenter continues stating that the EIR would be valid for 10-15 years the commenter estimates it would be used for approximately 700-1,050 new cultivation permits based on passed licensing rates. The commenter then questions if an analysis on conversion or licensing to permitted facilities, and abatement of those that stop production would be warranted. The commenter also questions if these sites should not be being counted against water use because they were in the baseline. The commenter continues the comment and reiterates the previous calculations provided related to the potential amount of cannabis cultivated statewide and within the County, discusses the illegality, and states it is not legal to export to out of state locations and concludes that a more realistic number of parcels should be developed.

Regarding the constituency and specific existing cultivation activities occurring on the estimated 3,500 cultivation site, the commenter is referred to **Response to Comment O-4, O-8, and O-48** regarding a discussion of including the 3,500 sites and their specific constituency and use. For these reasons calculating out the water use of the 3,500 existing cultivation sites is not feasible. In addition, the DEIR evaluated the current water supply as well as projected water supplies. Therefore, going forward, even though there is cultivation that is occurring, it is still appropriate to use the estimated water demand of these estimate 3,500 cultivation areas against the total water availability. Regarding the use of the 27,207 parcels, the commenter also is referred to **Response to Comment K-4** for a discussion of the potential constraints and difficulty had the DEIR screened out certain parcels. Regarding the continuation of illegal cultivation operations and export of cannabis to out of state areas, the commenter is referred to **Response to Comment O-46 and O-58**. The proposed NCCO deals with cannabis cultivation within the County. Should cultivators choose to engage in continued illegal cultivation and illegal transport, sales, or distribution of cannabis, that is outside the scope of environmental analysis and the CEQA process.

**Response to Comment O-233:** The commenter summarizes information regarding the six plants for personal use and notes that the DEIR recognizes the if all parcels utilize the six plants that would result in the use of approximately 106-acre-feet of water. The commenter notes that the R3 and AE zones account for 0-acre-feet and notes the Lake Wildwood, Alta Sierra, and Lake of the Pines has CC&R's or HOA's that have other restrictions. The commenter is correct that the value was 106-acre-feet. It is recognized that not all residents will choose to cultivate. However, to be as consistent as possible, the value was included

in the analysis. The parcels in the listed zones account for less than half an acre-foot and hence were (rounded down) and excluded. Regarding inclusion in the baseline, the commenter is referred to **Response to Comment O-232**, above. In sum, although the water use is occurring, because it would continue it is calculation against the projected water supply moving forward. No further response is required.

**Response to Comment O-234:** The commenter notes that the cultivation and yields within the RA zones are not included in the EIR. The commenter is correct, commercial cultivation would not be authorized in the RA zones, and are therefore, excluded from the analysis. This comment does not specifically raise any questions regarding the adequacy of the DEIR. No further response is required.

**Response to Comment O-235:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to add the word, “or.” No further comment is required.

**Response to Comment O-236:** The commenter restates a portion of the impact discussion estimating a total of 46,771 full-time employees would be needed and if owners work on their own cultivation operations it would be reduced to approximately 22,866 employees. The commenter provides additional information regarding the existing County workforce, projected population, age breakdown, and project workforce availability by 2060. The commenter notes that worker demand for cannabis cultivation would depend on many factors and the commenter continues and provides a table with expected employee demand for cultivation (37,078 employees) as well as the employees needed for trimming (113,173). The commenter also notes that employee demand would increase from supporting businesses such as hardware stores, soil and cultivation suppliers, consultants, tax preparers, bookkeepers, insurance professionals, propane suppliers, construction workers, and these businesses would need to expand to support cannabis production. The commenter also notes housing would be severely impacted. The commenter notes that the impacts from the 27,707 sites underestimates potential impacts and needs to be revised for a more realistic value and notes CEQA does not require worst-case. The commenter finishes the comment stating that compliance with regulations will place additional burdens on the cultivators and employees needed to account for these services are not included.

The DEIR includes the employees needed for the operation of the existing 3,500 existing cannabis cultivation operations within the baseline and therefore, these people are already included within the existing working population of the Nevada County. The Draft EIR utilizes a study released by the State of California prepared by ERA economics that contains extensive job analysis related to the cannabis cultivation. The commenter is referred to **Response to Comment O-223**. These were the values used to calculate employment demand, which the DEIR disclosed would result in an increased population of approximately 47% should all eligible parcels be cultivated. As in other sections of the DEIR, this is qualified by the fact that development of cannabis cultivation facilities will be constrained by site-specific variables such as irregularly shaped parcels, biological resources, slopes, and access issues, etc. In addition, and consistent with the commenter’s statements, it is not feasible for the County to issue a permit for every eligible parcel immediately and the project will be phased in over numerous years. Accordingly, the County notes in numerous sections of the DEIR, there would be a staged timing of implementation of projects. In addition to the variables listed above, and directly related to employees and housing, the proposed NCCO requires housing be in place on a parcel or adjacent parcel under common ownership. In the instance of population and housing, this approach of a gradual increase in

population is a logical extension of the proposed NCCO implementation and due to the nature of the phased development the population increase over time, as it would occur has been properly accounted for in the DEIR.

In addition, while the County appreciates the effort of the commenter to develop the employment demand, the County believes these numbers overestimate employee demand. First, the County does not accept the premise that all personnel working at the cultivation sites would be full-time employees, especially for the initial cutting and limited trimming process. Cultivation activities generally occur from initial cloning, and/or planting beginning in April, and as plants progress through the growth process into harvesting generally from September through December. Due to weather constraints and the limitations of cultivation timing, full employment would not occur year-round. As such, employment of trimmers is focused within a relatively short period of time over a few months. To reach the 2,000 hours in the comment, even assuming a 7-month (30-day months) trimming period, this would require a 9.5-hour work day every day of the week. This is not feasible and an unrealistic expectation.

Second, as the commenter noted, considering the age of persons in Nevada County 16 years of age (yoa) and greater is 48,654, the population of 21 yoa adults, those who could legally work on cannabis cultivation would be even smaller. Nonetheless, if the County conservatively estimates that of the 3,500 cannabis cultivation operations 20% are 10,000 sf (700 operations), 20% are 5,000 sf (700 operations), 30% are 2,500 sf (1,050 operations) and 30% are 500 sf (1,050 operations), this would, using the commenter's estimated demand for full-time employees per parcel, equal and existing County wide workforce for just cannabis of 13,394 total employees. This equates to approximately 27.5% of the existing County workforce (would be even less when the 16 to 20 yoa population is subtracted). The commenter is referred to **Response to Comment O-123** regarding a discussion of disagreement between experts and the explanations required.

Regarding the potential for increased demand for other businesses, while the County recognizes some increased demand for these services could occur, for the same reasons listed above, impacts would not be considered substantial. Because commercial cannabis cultivation would be phased in overtime, the increased demands also would be incremental in nature. While some new employment may occur initially, this Program EIR, does not evaluate the additional resources that could be required for future cannabis cultivation. Because the site-specific designs are not known, and because the existing 3,500 cultivation sites are anticipated to already possess most of the needed equipment, it would be speculative to evaluate these demand in a detailed analysis in this programmatic document.

The County does appreciate the commenter's thoughts regarding population increase and associated effects. However, the existing analysis is satisfactory in terms of CEQA compliance and the methodology, although the methodology is somewhat different from other resource sections, this section provides an accurate disclosure of potential impacts associated with population and housing. The analysis was tailored to be discussed in this way due to the different natures of the resources and the way in which the proposed NCCO would be implemented. No further response is required.

**Response to Comment O-237:** The commenter reiterates the estimate of new residents at 113,173 and further claims that based on the 2.35 persons per household the total population impact (less the existing estimated 23,037 people in AE, AG, and FR zones) would be 242,920 people. The commenter goes on to cite pages of the DEIR, a section of quotations from an article stated to be from the Union on October 22,

2018. The commenter closes the comment stating that the 27,207 parcels is vastly overstated considering one of the objectives is to accommodate existing cultivation.

The County disagrees with the commenter statement regarding the needed employees. The commenter is referred to **Response to Comment O-223** and **O-236**, above. In addition, the County disagrees with the commenter estimated of total population growth (242,920), which is based on the 2.35 persons per household. The 2.35 persons per household is a county wide estimate. The County does not expect, and it is unrealistic to assume that every potential cannabis worker would be a part of a family unit with 2.35 people. It is even more unlikely that entire family units would move to Nevada County for what is essentially-part time seasonal work (September through December). Additionally, as discussed in **Response to Comment O-236**, as the commercial sites are developed the population growth would be phased in, some of which already includes existing residents because some of the projects requesting licensed will come from the estimated 3,500 existing cultivation operations, which would already have employees. Therefore; while the County appreciates the commenter's time and effort, the estimates provided in *Section 4.12 Population and Housing* are reasonable and conform to State CEQA requirements.

**Response to Comment O-238:** The Commenter states that the conclusion on page 4.12-9 of *Section Population and Housing* is not accurate and a more comprehensive evaluation of workforce needs to be evaluated. This comment contradicts the commenter's previous comments in which they cast doubt that the County can process cannabis permits at a substantial rate. In Comment O-237, the commenter notes that even if the County processed 350 new permits a year it would require 77.7 years for permits for all 27,207 parcels to be issued. In other comments the commenter has made similar notes that the use of 27,207 parcels is not realistic.

The commenter is referred to **Response to Comment K-4**, and **O-46** and **O-58** which discusses the rationale behind using all the 27,207 parcels. The commenter also is referred to **Response to Comment O-236** and **O-237**, regarding the methodology for evaluating population increases. No further comment is required.

**Response to Comment O-239:** The commenter reiterates statements about the total potential yield of cannabis as well as the needed employees. The commenter is referred to **Response to Comments O-223**, **O-236** and **-O-237**, above.

**Response to Comment O-240:** The sentence, “, would require registration with the enforcing officer through an administrative action,” has been deleted. No further comment is required.

**Response to Comment O-241:** The commenter reiterates statements about the total potential yield of cannabis as well as the needed employees. The commenter is referred to **Response to Comments O-223**, **O-236** and **-O-237**, above.

**Response to Comment O-242:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to delete the word, “at.” No further response is required.

**Response to Comment O-243:** Labels for the “Nevada City School District” and “Tahoe/Truckee Unified TA 1 School District” have been added to the figure.

**Response to Comment O-244:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word, “Sheriff’s,” has been added. No further response is required.

**Response to Comment O-245:** The Sheriff’s Department website uses the term, “marijuana.” No changes to the FEIR have been made. No further response is required.

**Response to Comment O-246:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the letter, “s.” No further response is required.

**Response to Comment O-247:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to add the word, “youth.” No further response is required.

**Response to Comment O-248:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the letter, “d.” No further response is required.

**Response to Comment O-249:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to add, “LEO may.” No further response is required.

**Response to Comment O-250:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised to add the word, “for.” No further response is required.

**Response to Comment O-251:** The areas have been added to the legend. No further response is required.

**Response to Comment O-252:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the letter, “s.” has been added and “ed” has been deleted. No further response is required.

**Response to Comment O-253:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the letter, “s.” has been added. No further response is required.

**Response to Comment O-254:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the letter, “a.” has been added. No further response is required.

**Response to Comment O-255:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the acronym, “NCFD” and letter, “s.” has been added. No further response is required.

**Response to Comment O-256:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the phrase, “The Nevada County Library System” has been deleted. No further response is required.

**Response to Comment O-257:** The comment is noted. The description of the library has been revised to state, “In the heart of downtown Grass Valley, this library provides a full range of library resources and services.”

**Response to Comment O-258:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the number, “1.” has been deleted. No further response is required.

**Response to Comment O-259:** The sentence is describing the type of cannabis-related uses covered by the Fire Code and not only the allowable uses under the proposed NCCO. The comment is note. No change to the FEIR is required. No further response is required.

**Response to Comment O-260:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the phrase, “are related to Public Services are,” has been added. No further response is required.

**Response to Comment O-261:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and an “s” has been deleted and the word “applicable,” has been added. No further response is required.

**Response to Comment O-262:** The comment is in reference to a grammatical, spelling, or other syntax error. The font has been adjusted to size, “11.” No further response is required.

**Response to Comment O-263:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word “aesthetic,” has been deleted. No further response is required.

**Response to Comment O-264:** The commenter notes that there will be need for remedial actions and questions what abatement there will be for the existing cultivation sites that may be abandoned. This comment reiterates previous comments and the commenter is referred to **Response to Comment K-5, L-4, O-46, O-58, and O-65**, regarding abatement and illegal cultivation. No further response is required.

**Response to Comment O-265** The sentence, “Therefore, verification of proper permitting would ensure the structures on these cultivation sites would be properly constructed,” has been deleted, and the word, “would,” has been added. No further response is required.

**Response to Comment O-266** The acronym in this instance has been changed to, “NCSO.” The 200-300 calls for service are in relation to complaints related to cannabis. This had been revised in the FEIR. The commenter continues and reiterates concerns regarding abatement and illegal cannabis cultivation. The commenter concludes by stating the unregulated cannabis production has the potential to damage the environment and is a significant problem for developing a successful regulated market in the state. The commenter is referred to **Response to Comment K-5, L-4, O-46, O-58, and O-65**.

**Response to Comment O-267:** The sentence, “and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” has been deleted and, “therefore, verification of,” has been deleted for clarity. No further response is required.

**Response to Comment O-268:** The commenter notes the proposed NCCO does not require areas to be screened. The County agrees with this and the FEIR has been revised as to read as follows, “Also, all commercial cultivation canopy areas are required to not be visible from the public right-of-way or publicly traveled private roads at any stage of growth. This would be accomplished by screening with either vegetation or fencing.”

**Response to Comment O-269:** The commenter questions what an “initial punctuated increase,” is. This is in reference to an early interest in and rush of permit applications that would taper off as the process proceeds.

**Response to Comment O-270:** The commenter reiterates that state law requires a 600-foot setback. The commenter is referred to **Response to Comment O-4, O-11, and O-71**. There is no requirement for the County to use the same 600-foot setbacks as the state. No further Response is required

**Response to Comment O-271:** The sentence, “and individuals engaging in cultivation for personal use would be required to register with the enforcing officer, and through an administrative action, obtain proof of registration,” has been deleted and, “therefore, verification of,” has been deleted for clarity. No further response is required.

**Response to Comment O-272:** The County of Nevada has the listed four park districts. No changes to the FEIR have been made and no further response is required.

**Response to Comment O-273:** The comment is in reference to a grammatical, spelling, or other syntax error. “These,” has been revised to “the.” No further response is required.

**Response to Comment O-274:** The words, “Recreation Development,” have been added to clarify the types of fees.

**Response to Comment O-275:** The sentence, “These areas cover a total of 294 square miles (or 30%) of the County’s 978 square miles. “has been deleted. The sentence, “Public lands cover a total of 314 square miles (or 33%) of the County’s 943 square miles,” has been inserted as concluding sentence for clarity.

**Response to Comment O-276:** The comment is in reference to a grammatical, spelling, or other syntax error. The letter, “s” has been added to “fee.” No further response is required.

**Response to Comment O-277:** The commenter is referred to the first paragraph in the subsection which addresses the question and states:

“A development impact fee is a monetary exaction other than a tax or special assessment that is charged by a local governmental agency to an applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project. Fees charged on new development to mitigate its impact on the need for new facilities. The development impact fee provides funding for public infrastructure and/or facilities needed to serve new residents and employees.”

No further response is required.

**Response to Comment O-278:** The comment is in reference to a grammatical, spelling, or other syntax error. The word, “value” has been added and an, “s” to “site.” No further response is required.

**Response to Comment O-279:** The commenter reiterates previous comments relates to population growth and housing demands. The commenter is referred to **Response to Comments O-236, O-237, and O-238**. In addition, as discussed in the DEIR, the potential environmental effects of any new recreational project or expansion of existing recreational facilities would be accounted for in their respective CEQA document, if required. No additional impacts would occur. No further response is required.

**Response to Comment O-280:** The commenter notes that Highway 49 has other four-lane segments than those listed. The FEIR has been revised and the sentence, “other than a four-lane section between Nevada City and Grass Valley,” has been deleted. For clarity the next sentence has been revised to read, “Highway 49 contains both single and two-lane segments with many local access points.” The reference to Caltrans TCR, 2017, has been deleted. This revision has been made for clarity and does not change any conclusions of impacts disclosed in the DEIR. No further response is required.

Table 4.15-1 also has been revised to show the alignment of Highway 49 within Nevada County ending at the Yuba County line.

**Response to Comment O-281:** The commenter states that new development area often required to widen roads and improve intersections as mitigation. This comment is noted, and the County concurs that development projects are sometimes required to make fair share contributions to roadway improvements. No further response is required.

**Response to Comment O-282:** The comment is in reference to a grammatical, spelling, or other syntax error. The word, “is” has been added and “(LOS)” has been deleted for clarity. No further response is required.

**Response to Comment O-283:** The figures have been added to the FEIR. No further response is required.

**Response to Comment O-284:** The commenter notes/reiterates that Sutton Way South of Brunswick has a level of service F. The comment is noted, and no further response is required.

**Response to Comment O-285:** The commenter notes that there is a table showing the significant future traffic conditions for Western Nevada County but not for Eastern Nevada County. The data was derived from Appendix C of the Nevada County Regional Transportation Plan (RTP). This RTP does not provide an appendix showing the same data for eastern Nevada County. The RTP does provide information for the town of Truckee; however, this is outside the scope of County jurisdiction, and therefore; was not included.

**Response to Comment O-286.** The first abbreviation of Transportation Concept Report (TCR) is provided on Page 4.15-2 of *Section 4.15 Transportation and Traffic*. Per the commenter’s request, it has been added at the referenced location. No further response is required.

**Response to Comment O-287:** The first abbreviation of Interregional Transportation Improvement Program (ITIP) is provided on page 4.15-11 in Section 4.15 Transportation and Traffic. No changes to the FEIR have been made. No further response is required.

**Response to Comment O-288:** The abbreviation RTP is previously noted in *Section 4.15 Transportation and Traffic* in table 4.15-1 and on page 4.15-11. No further response is required.

**Response to Comment O-289:** The commenter cites the DEIR and language stating that cultivation under the proposed NCCO does not include processing and the cultivator could grow the cannabis, make an initial cutting and then dry. The commenter also cites the DEIR which states, “The cannabis would then be required to be shipped off-site for additional, labor-intensive, processing.”

The commenter notes that the state allows the license holder to cultivation, dry and trim cannabis at the cultivation site. The commenter further notes licensing requirements for manufacturing and the

subsequent process. The commenter notes a “-” is missing from mixed-use and discusses traffic impacts noting that outdoor cultivation would be season, could be year-round for indoor a mixed-light depending on the grow cycles.

The commenter is correct that the State permit allows for additional trimming. The County; however, is allowed discretion in their implementation of the regulations and can limit cannabis processing activities. Under the proposed NCCO, as discussed in the section cited by the commenter, the cultivators would make an initial cut and then dry. This would substantially reduce the work effort needed for trimming the cannabis. Additionally, based this, the County agrees with the work (further processing) the commenter notes a cannabis manufacturer would engage in.

The “-” has been added.

Regarding traffic generation, the commenter is correct that outdoor cultivation would largely generate seasonal traffic increases. While the County agrees that indoor cultivation could be nearly year-round due to the fact the growing environment is controllable, the County disagrees that mixed-light would be nearly year-round. Although mixed-light could extend the growing season and can result in additional cultivation cycles, nearly year-round growing is unlikely due to photo-periods, weather, and other environmental factors that limit the cultivation potential. The comment is noted, and additional response is not required.

**Response to Comment O-290:** The commenter repeats comments and figures regarding the total production of cannabis, cannabis consumption, water use, and population increases, and restates that the timeframe of project implementation is not reasonable. The commenter is referred to **Response to Comment K-4, K-17, O-123, O-224, O-225, O-236, O-237, and O-238**. No further response is required.

**Response to Comment O-291:** The commenter restates previous comments related to increased demand for employees. The commenter is referred to **Response to Comment O-223, O-226, and O-237**.

**Response to Comment O-292:** The commenter states that far more than the projected vehicle trips would be generated if the population increase estimates the commenter provides are used. The commenter then states that the timeline for implementation would be 388 years to fully buildout every single parcel.

The County agrees that if the population increases as the commenter suggests that vehicle trips would be substantially increased. However; the commenter is referred to **Response to Comment K-4, K-17, O-123, O-224, O-225, O-236, O-237, and O-238** for the reasoning and explanation of the methodology used by the County for the purposes of meeting CEQA requirements and disclosing impacts in the DEIR. Based on these findings, the projected 30,705 vehicle trips is a reasonable estimate.

**Response to Comment O-293:** The commenter restates that using all eligible parcels is not realistic. The commenter is referred to **Response to Comment K-4 and K-17**.

**Response to Comment O-294:** The sentence, “would require registration with the enforcing officer through an administrative action,” has been deleted.

**Response to Comment O-295:** the commenter requests the terms RTMF and LTMP be defined. At the first use of the acronym in *Section 4.15 Transportation and Traffic* the terms are defined as the Regional Transportation Mitigation Fee and Local Transportation Mitigation Fee. No further response is required.

**Response to Comment O-296:** The comment is in reference to a grammatical, spelling, or other syntax error. The sentence has been revised. No further comment is required.

**Response to Comment O-297:** The DEIR is correct that as part of the permitting process the applicable RTMF or LTMF would be collected. The proposed NCCO does not list and is not required to list every fee that would be applicable to future cannabis cultivation projects are required during the permitting process. No further comment is required.

**Response to Comment O-298:** The commenter reiterates the comment that more than 30,705 trips would be generated if all parcels were built-out. The commenter repeats the estimates of 113,000 needed employees, 29.0 million gross pounds of cannabis produced, 388-year buildout scenario, and 121 temporary permit applications thus far. The commenter is referred to **Response to Comment K-4, K-17, O-123, O-224, O-225, O-236, O-237, O-238, and O-292.**

**Response to Comment O-299:** The commenter lists certain requirements of the application process including, estimation of employees and transportation demand, alternatives to automobile use, and proposal to include one or more measures to reduce single occupancy trips, and states they are not requirements of the proposed NCCO. The commenter is correct that the listed items are not specifically called out in the proposed NCCO. These would be a part of the permitting and application process. The commenter is referred to **Response to Comment C-3, C-6** and Attachment B, which shows the application checklists. It should be noted that it is not feasible or required to include all application requirements in the proposed NCCO, and hence, these and other parts of the application process have been omitted from detailed discussion. No further response is required.

**Response to Comment O-300:** The commenter cites a section of the DEIR stating that no additional feasible mitigation was identified and that impacts would be significant and unavoidable. The commenter then reiterates that the baseline assumption of 27,207 parcels and gross production needs to be evaluated. The commenter notes that many sections of the DEIR need to be revised because of this. The comment is noted and is repetitive to previous comments. The commenter is referred to **Response to Comment K-4, K-17, O-123, O-224, O-225, O-236, O-237, O-238, and O-292.**

Regarding the Local Traffic Mitigation Fee, the commenter is referred to **Response to Comment O-297.** No further response is required.

**Response to Comment O-301:** The comment is in reference to a grammatical, spelling, or other syntax error. An, “s” has been added to “project.” No further comment is required.

**Response to Comment O-302:** The sentence, “and would require registration with the enforcing officer, and through an administrative action, obtain proof of registration,” has been deleted.

**Response to Comment O-303:** The commenter is referred to **Response to Comment O-297** regarding payment of the RTMF and LRMF.

**Response to Comment O-304:** The commenter is referred to **Response to Comment O-297** regarding payment of the RTMF and LRMF.

**Response to Comment O-305:** The commenter reiterates comments about 27,207 parcels needing revisions and that some consideration needs to be given to where the produced cannabis will be

consumed because the market in California is not large enough to utilize the amount that would be supply. The commenter is referred to **Response to Comment K-4, O-123, O-224, O-225, O-236, O-237, O-238, and O-292**

**Response to Comment O-306:** The comment is in reference to a grammatical, spelling, or other syntax error. The fragment, “of all sizes,” has been deleted. No further comment is required.

**Response to Comment O-307:** The sentence has been revised the word, “farm” has been deleted and the sentence now reads, “general equipment needed for cannabis cultivation...” No further response is required.

**Response to Comment O-308:** The text, “CCP or an” has been added to clarify. No further response is required.

**Response to Comment O-309:** The commenter states that secondary access is not required. The commenter is referred to the proposed NCCO Section G Permitting of Commercial and Non-Remuneration Cannabis Activities:

1. Cannabis Cultivation Permit (CCP) requirements are as follows:
  - f. Secondary Access and Dead End Road Requirement Exemption:
  - g. Secondary access may be waived at the discretion of the Permitting Authority if applicant attests that there will be no special events held on the Premises, that the general public will not have access to the Premises, that no more than ten (10) employees will be on the Premises at any given time, and that the Fire Authority approves the exemption.
2. Administrative Development Permit (ADP) requirements are as follows:
  - f. Secondary Access and Dead End Road Requirement Exemption:

Secondary access may be waived at the discretion of the Permitting Authority if applicant attests that there will be no special events held on the Premises, that the general public will not have access to the Premises, that no more than ten (10) employees will be on the Premises at any given time, and that the Fire Authority approves the exemption.
3. Annual Cannabis Permit (ACP):
  - d. Secondary Access and Dead End Road Requirement Exemption:

Secondary access may be mitigated at the discretion of the Permitting Authority if applicant attests that there will be no special events held on the Premises, that the general public will not have access to the Premises, that no more than ten (10) employees will be on the Premises at any given time, and that Fire Authority approves the exemption.

**Response to Comment O-310:** The commenter is referred to **Response to Comment O-299** regarding the additional requirements. No further response is required.

**Response to Comment O-311:** The commenter asks for clarification regarding the word “sites” and what it is in reference to. The word sites is in regards to Lake of the Pines, Penn Valley, and Lake Wildwood. The word, “sites” has been deleted and the word, “areas,” inserted for clarification. No further response is required.

**Response to Comment O-312:** The comment is in reference to a grammatical, spelling, or other syntax error. The letter, “t” has been added to “plan,”. No further comment is required.

**Response to Comment, O-313:** The comment is in reference to a grammatical, spelling, or other syntax error. The word, “the” has been added. No further comment is required.

**Response to Comment O-314:** The commenter questions what the term, “sort line” is in regard to for solid waste recycling. This is the area in which recyclables and other materials are sorted from the waste stream. No further comment is required.

**Response to Comment O-315:** The comment is in reference to a grammatical, spelling, or other syntax error. The period has been deleted, a comma and “which” have been added, and “are” deleted. No further comment is required.

**Response to Comment O-316:** The text, “For use of a private well and septic system, County Ordinance requires a minimum of 3 acres per parcel. For areas supplied by a water purveyor, 1.5 acres is required,” has been deleted. The following text from Nevada County Code Title 3 Land Use and Development Code Sec. L-X4.3 has been added for clarity, “Connections to Public Water Supply” has been added, “For any division of land where an approved public water supply system is available within 200 feet of the parcels, said parcel shall be connected to the approved system unless water meeting California Drinking Water Standards is proven to be available from other sources.” No further comment is required.

**Response to Comment, O-317:** The comment is in reference to a grammatical, spelling, or other syntax error. The word “there,” has been deleted, and “year,” has been inserted. No further comment is required.

**Response to Comment O-318:** The commenter questions how the CSD or CSA will be enforced. These will be enforced similar to other such mechanisms the County uses to ensure fees are paid to ensure services are funded and facilities are maintained. No further comment is required.

**Response to Comment O-319:** The commenter questions how the policy would be implemented. The policy, subsection (a), related to curb and gutter improvements would be required should it be determined that roadway improvements are needed as part of a future cannabis project(s). Subsection (b) would not be applicable to the proposed NCCO. The commenter is referred to **Response to Comment H1-15**, regarding a revision to the DEIR requested by the Nevada County Department of Public Works related to review of projects and request for improvements. No further comment is required.

**Response to Comment O-320:** The referenced subsection has been deleted. No further comment is required.

**Response to Comment O-321:** The term (OWTS) is in reference to an Onsite Wastewater Treatment Systems. This acronym is first used on 4.16-9 of *Section 4.16 Utilities and Service Systems*. No further comment is required.

**Response to Comment O-322:** The reference to required registration has been deleted based on a previous comment of the commenter. No further comment is required.

**Response to Comment O-323:** The comment is noted regarding NID. The County acknowledges that to prevent algae and other growth from clogging canals, limiting access and affecting water deliveries, NID conducts an integrated program of weed management. With more than 400 miles of canals in Nevada and Placer counties NID conducts the operations in accordance with an NPDES permit. Should a cannabis cultivation site be located in an area that uses water from a canal to which NID applies herbicides, this information should be included in the cultivation plan and CCP or ACP checklist. The County will work with the cultivator to identify an alternative water source such temporary use of a well or permit the installation of water storage such as a pond or tanks that can be filled prior to herbicide application and then used to irrigate cannabis. This comment is noted. No further response is required.

The commenter states that the water use rates are not accurate and refers to previous comments related to Page 4.8-34 of the DEIR. The commenter states that the texts assumptions of impacts and findings need to be revised to correct the assumptions made on water use per parcel. The commenter is referred to **Response to Comment O-123, O-130, and O-132.**

**Response to Comment O-324:** The commenter appears to be reiterating comments related to water use. The commenter is referred to **Response to Comment O-123, O-130, and O-132.**

**Response to Comment O-325:** The reference to required registration has been deleted based on a previous comment of the commenter. No further comment is required.

**Response to Comment O-326:** In response to a discussion of sanitation services the commenter states commercial cannabis operators generate little solid waste and soil is delivered in bulk. The commenter notes that most waste cannabis is shredded and composted or made into compost teas avoiding disposal. The County appreciates the commenter's information on re-use efforts and the comment is noted. No further response is required.

**Response to Comment O-327:** The reference to required registration has been deleted based on a previous comment of the commenter. No further comment is required.

**Response to Comment O-328:** The reference to required registration has been deleted based on a previous comment of the commenter. The font is consistent. No further comment is required.

**Response to Comment O-329:** The comment is in reference to a grammatical, spelling, or other syntax error. The words "for," and "the," has been inserted and the word, "such" has been deleted. No further comment is required.

**Response to Comment O-330:** The comment is in reference to a grammatical, spelling, or other syntax error. The words "of" has been deleted and the word, "nine" has been inserted. No further comment is required.

**Response to Comment O-331:** The comment is in reference to a grammatical, spelling, or other syntax error. The letter, "s" has been deleted. No further comment is required.

**Response to Comment O-332:** The term VMT is the acronym for vehicle miles traveled. The acronym is used previously in this section.

**Response to Comment O-333:** The comment is in reference to a grammatical, spelling, or other syntax error. The number “45” has been inserted. The commenter is referred to **Response to Comment C-2, C-21, I-3, K-21 and K-22** regarding use of renewable energy and Title 24 requirements. No further comment is required.

**Response to Comment O-334:** The comment is in reference to a grammatical, spelling, or other syntax error. The word, “went” has been inserted and “will go,” has been deleted. No further comment is required.

**Response to Comment O-335:** The comment is in reference to a grammatical, spelling, or other syntax error. The word, “energy” has been inserted and “air quality,” has been deleted. No further comment is required.

**Response to Comment O-336:** The comment is in reference to a grammatical, spelling, or other syntax error. The word, “contains” has been inserted. No further comment is required.

**Response to Comment O-337:** The commenter states that many of the existing cultivators grow outdoors and use very little power. The commenter provides information on the ratio of energy used comparing outdoor to indoor cultivation and notes that energy costs are substantial and most growers in Nevada County are small operators and are “green.” This comment is informational in nature and no further comment is required.

**Response to Comment O-338:** The commenter notes that projects would be constrained by numerous factors and does not know the value PG&E could offer. The comment is noted. The language in the DEIR is based on the response to an inquiry during preparation of the EIR and that PG&E can provide some insight regarding the availability of their utility services and how best they can be used to provide energy to the future cannabis cultivation projects.

**Response to Comment O-339:** The commenter questions the 26,993 parcels (not including AE, AG, and FR zones) noting the project description mentions the 27,207 parcels. There are a total of 26,993 other parcels, not including AE, AG, and FR parcels that would be eligible to grow six plants of cannabis for personal use. The commenter goes on to state California Public Utilities Commission (PUC) numbers showing they expect 265,000 individuals to engage in cultivation for personal use and that this would be 250 people in County cultivating for personal use.

**Response to Comment O-340:** The comment is in reference to a grammatical, spelling, or other syntax error. The word, “add,” has been included to the sentence. No further response is required.

**Response to Comment O-341:** The commenter notes that the total energy use is misstated in the DEIR. The commenter is correct. There was an error in calculation. The total energy used has been revised in the FEIR. Impacts would remain significant and unavoidable. The commenter provides additional information on the electricity usage of electricity in Washington noting that the weather is different than California. The commenter continues discussing the lighting requirements for Tier 2 Mixed light, greenhouses, and that needed to run equipment. The Commenter provides an estimate of Tier 1 Mixed-light cultivation (maximum 6 watts per square foot) and Tier 2 Mixed-light (maximum 25 watts per square foot). The commenter provides additional information from an example of Colorado energy usage and also notes a study from Cornell University but in a subsequent comment qualifies this study noting that it

may overestimate energy usage compared to California due to weather differences between California and New York. These comments are noted, and the County recognizes that this information is used by the commenter in subsequent comments below. No additional response is required.

**Response to Comment O-342:** The commenter restates some of the electricity values used in the DEIR in relation to indoor cultivation and mixed-light cultivation. The commenter also notes the outdoor cultivation should be greater than zero because some fans and other machinery is needed. The commenter states that the estimated indoor use rate is low but recognizes that there are a large variety of different numbers used in various studies noting that electricity demands range from 80kWh to over 1,000kWh per square foot of indoor cultivation. The commenter provides additional details noting the estimates may be close to actuality but only, as noted in comment O-341, represent a portion of the year. The comment then notes that Table 4.17-3 did not multiply the energy use by 12 months, which would increase the energy use and is addressed immediately following.

The commenter continues stating the correct power usage per square foot is subject to interpretation and depends on a variety of factors and concludes saying that perhaps the 150 kWh may be correct. The County concurs with the commenter's statement regarding the different values and studies with different conclusions regarding power consumption of different types of cannabis cultivation. Even within the same cultivation methodology specifically indoor and mixed-use, the difference in energy use can be substantially varied. The County also concurs with the commenter that the total energy use was underestimated due to a calculation error. Table 4.17-3 Energy Use Based on Parcel Acreages has been updated in the FEIR to reflect the yearlong cultivation demands and is now 5,018,186,592kWh. The commenter notes this would increase the power use to 5,018,069,868 kWh, which is a substantial increase considering the power supply of the state. It should be noted that due to cultivation not occurring during late fall and winter months the energy use is anticipated to be less than the revised numbers. Nonetheless, impacts would remain significant and unavoidable as previously disclosed in the DEIR.

**Response to Comment 343:** The commenter continues discussing the power consumption and describes the energy produced in Nevada County and how much energy is currently consumed in Nevada County. The commenter notes the energy consumed in California in comparison to the project, were all 27,207 parcels to be used to their maximum cultivation allotment. The commenter refers back to the previously provided estimates and calculates that the total energy demand for cultivation under the proposed NCCO would be 12,454.8 gWh. The County recognizes that based on the commenter's estimates the resulting energy use would be greater than that revised in the DEIR and FEIR.

While the County evaluated all eligible parcels being cultivated at their maximum potential square footage for cultivation, the County still reasoned that due largely to cost constraints, not all cultivation sites would use the maximum eligible square feet, would not use the most energy-intensive cultivation set-up (indoor and mixed-light), and would use a combination of cultivation strategies, most likely mixed-light and outdoor. This is reflected in the DEIR, which states,

"For the purposes of the energy analysis, it is anticipated that parcels used for commercial cannabis cultivation would likely employ a blending of indoor mixed light, and outdoor, cultivation. This a common way cannabis is cultivation, and this is expected to be especially true of larger parcels on which 10,000 sf of canopy may be cultivated. Due to the high cost of constructing a structure large enough to house 10,000 sf of cannabis, it is more likely in these

instances that a combination of indoor cultivation would be used in conjunction with mixed light greenhouses or hoop house and outdoor cultivation. Within the table; therefore, the total number of eligible parcels within a given acreage range are divided. Outdoor operations do not require the same amount or types of equipment required to support growth of cannabis plants in comparison to indoor cultivation operations and no electricity demands are assumed for new outdoor operations in thirds to more closely represent what is anticipated to occur if the proposed NCCO is implemented.

In addition, similar to other the discussions in other chapters, the DEIR stated:

“Additionally, it is unlikely due to other potential constraints such irregularly shaped parcels that limit cultivation area due to set back requirements; proximity to sensitive receptors; presence of sensitive resources; or otherwise eligible parcels that do not have a residence or are not on a contiguous parcel with a legal residence.”

Bearing these things in mind, the DEIR discussed energy consumption based on a methodology that would more closely represent the cultivation techniques that are anticipated to occur under the proposed NCCO. It should be noted that when first evaluating the energy use, the higher values, similar to those estimated by the commenter were calculated. These runs produced energy consumption rates similar to what is estimated in the comments. Due to the completely unrealistic potential for these to be realized, the subsequent estimates were scaled back with what was considered, albeit a still very high total estimate, a more realistic cultivation strategy. It should also be noted that the County recognizes that this total value (now revised), and even prior to revision, would consume a substantial amount of energy. Accordingly, the DEIR, identified this impact as significant and unavoidable.

In practice, and as noted above and in the section the County recognizes that cultivation beyond the estimated 3,500 existing sites will be phased in over a period of time and energy for these projects can be accounted for with the existing supply of energy and capacity that will be added. Additionally, as noted by the commenter in subsequent comments, and as discussed in **Response to Comment C-21, K-21, and K-22** regarding use of renewable energy that will help to alleviate some of these impacts.

Therefore, while the County concurs that energy consumption for the potential 27,207 would be unlikely to meet the estimated demands, to try to maintain some continuity between analysis methodology, but to still provide some amount of practicality this section of the DEIR used this form of analysis. As discussed above, the energy consumption has been revised for clarity in the FEIR and impacts, as previously identified, would remain significant and unavoidable.

**Response to Comment O-344:** The commenter notes that the outdoor cultivation should be included in the calculation even though the energy use would be limited. The County recognizes, that although limited, as the commenter suggests, 5kWh to 10kWh, the energy used by outdoor cultivation is captured by the likely overestimation of energy use in the DEIR. As noted in the DEIR, due to site constraints such irregularly shaped parcels that limit cultivation area due to set back requirements; proximity to sensitive receptors; presence of sensitive resources; or otherwise eligible parcels that do not have a residence or are not on a contiguous parcel with a legal residence the total number of parcels that would be used for cultivation would be much less than the 27,207 parcels used. Therefore; the energy use for outdoor cultivation remains as previously valued. No further response is required.

**Response to Comment O-345:** The commenter states that there will be additional energy consumption outside the canopy area needed for other uses such as ancillary structures and other cultivation demands and should be considered. The commenter estimates that these energy demands may contribute an additional 5% to 10% of overall power use. The commenter notes that for outdoor cultivation is calculated an estimate of 17.5 KWh may be reasonable which would account for an additional 662,025,000 kWh. The comment is noted, and the commenter is referred to **Response to Comment O-343**.

**Response to Comment O-346:** The commenter notes that calculations accounting for solar panels are not included in the DEIR. The commenter notes that as cultivation techniques mature power use should decline. In addition, the 50% solar requirement for new construction will increase over the existing 40% already in place. The commenter also notes as the cost of energy increases there may be a shift toward more outdoor cultivation further reducing energy demands. The commenter provided estimates for required square footage of solar panels needed to supply the cultivation sites with renewable energy based on 2019 technology. The County has revised the energy section to include the revised and updated energy consumption. As discussed above, this was a calculation error. Impacts in this regard remain significant and unavoidable. The commenter is referred to **Response to Comment O-341, O-342, O-343**.

**Response to Comment O-347:** The commenter further discusses other alternative or renewable power sources such as wind, geothermal, and biomass that could be used in some areas. The commenter notes that the figures provided also do not consider the commenter's estimate of the 14,541 new homes that would be required in the AG, AE, and FR zones. The commenter concludes that the energy section requires revisions and to be rewritten.

Regarding the use of the various alternative energy sources, the County cannot commit future cultivators to any single or combination of these sources. The commenter is referred to **Response to Comment C-2, C-21, I-3, K-21, and K-22** regarding the CDFA requirements related to use of renewable energy sources.

**Response to Comment O-348:** The commenter states that the energy consumption does not include new homes that will be required and does not include energy for supporting businesses. The comment is noted. The specific constituency of homes and additional related industry that may be needed is not known. While energy calculation required some degree of estimation, to speculate on the increased energy demands from potential new homes, potential new employees, and potential new or expanded businesses would not be appropriate for the purposed of CEQA. Additionally, the DEIR already found energy impacts to be significant and unavoidable and any increases would not change that finding. The commenter is referred to **Response to Comment O-236, O-237, and O-238**, regarding additional discussion of these issues. No further response is required.

**Response to Comment O-349:** The commenter reiterates the comments above regarding the energy demand needed for new homes that may be constructed to fulfill the residential requirement of the proposed NCCO. The commenter is referred to **Response to Comment O-348**, above. No further response is required.

**Response to Comment O-350:** The commenter notes that CEQA does not require a worst-case analysis. The commenter reiterates comments regarding the total cannabis production should all eligible parcels be used for cultivation, and states that this is greater than consumption rates for the state as a whole. The commenter further notes that the time of implementation is not discussed in the DEIR. The

commenter is correct that CEQA does not require a worst-case analysis. The commenter is referred to **Response to Comment K-4** regarding a discussion of why the County elected to use all the 27,207 parcels. In sum, forgoing the analysis and attempting to screen-out parcels that may or may not be or remain infeasible to develop on presented its own limitation on analysis. The commenter also is referred to **Response to Comment O-227, O-228, and O-229**.

**Response to Comment O-351:** The commenter discusses the different ways and mixes of outdoor, mixed-light, and indoor cultivation are used. The commenter provides a breakdown in a table for the various types of permits that have been issued and provides percentage breakdowns. The comment is noted and does not request any changes or questions related to the DEIR. The commenter is referred to **Response to Comment O-343** regarding the methodology used for cultivation analysis in the DEIR.

**Response to Comment O-352:** the commenter states that hoop-houses are not allowed for mixed-light. Hoop-houses are allowed as described in the requirements for the light-control plans states:

“A light control plan that demonstrates how light used for cultivation purposes would be controlled. Light control measures may include but not be limited to means such as using blackout tarps to completely cover all greenhouses and hoop-houses or restricting the use of lighting between sunset and sunrise.”

**Response to Comment O-353:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the “i” has been deleted. No further comment is required.

**Response to Comment O-354:** The commenter restates the percentages of cultivation types previously noted in Comment O-351. The commenter is referred to **Response to Comment O-354**.

**Response to Comment O-355:** The first part of the comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and now reads, “it is.”. No further comment is required.

The commenter states that the existing 3,500 existing cultivation sites can only be reused by obtaining the required permits. The commenter notes that if the existing 3,500 sites do continue operating, they would be doing so illegally, and they should be considered part of the baseline. The comment is noted, and the County agrees that if they continue to operate unpermitted, it would be done so illegally. The County also agrees they have been included to the baseline. As discussed in the DEIR, the energy demand from the 3,500 cultivation sites were included, because going forward they would still require energy and be a part of the overall demand and do not result in an overstatement of demand. The commenter is referred to **Response to Comment O-343** regarding a discussion of the energy calculations. No further response is required.

**Response to Comment O-356:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and now reads, “could.” Instead of “would” and an “s” has been added to “project”. No further comment is required.

**Response to Comment O-357:** The commenter notes that the vehicle trips could be more than the 30,705 that are estimated and states they could be more than 113,000 and increase fuel consumption to over 16,190 gallons. The commenter is referred to **Response to Comment O-292** for a discussion of the vehicle trips. Based on this number, the disclosed, 6,214 gallons of fuel per day is reasonable.

**Response to Comment O-358:** The commenter states that the worst case was not included in the traffic section and CEQA does not require a worst-case scenario. Page 4.15-27 of the DEIR states, “Although this estimates likely over-estimates and represents a worst-case scenario for traffic impacts it reflects the total potential of the project to generate traffic as the project is proposed.” Additionally, the County recognizes that CEQA does not require a worst-case scenario and at the same time does not discourage or prevent a worst-case analysis. The commenter is referred to **Response to Comment O-236** and **O-250**. No further response is required.

**Response to Comment O-359:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and now reads, “increasingly.” No further comment is required. The commenter then restates that the PEIR needs to be evaluated against the total production if all 27,207 parcels are utilized and restates that energy use should be based on the numbers provided by the commenter. The commenter is referred to **Response to Comment O-229 and O-232**, related to cannabis production and **Responses to Comments O-341, O-342, O-343, O-344, O-345, and O-347**.

**Response to Comment O-360:** The commenter reiterates that the project needs to be redefined based on realistic production rates and have a new baseline established and that new energy use rates needs to be used. The commenter is referred to **Master Response 1, Response to Comment, K-12**, regarding the baseline, **O-229, O-232**, regarding production, and **O-341, O-342, O-343, O-344, O-345, and O-347** regarding energy use.

**Response to Comment O-361:** The two occurrences in the FEIR have been revised to clarify and include the language, “as well as generators and solar.” No further response is required.

**Response to Comment O-362:** The commenter states the existing 3,500 cultivation sites are in the existing power demand. The County agrees. No further response is required.

**Response to Comment O-363:** The sentence, “would require registration with the enforcing officer through an administrative action,” has been deleted. No further response is required.

**Response to Comment O-364:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word, “financing,” has been deleted. No further comment is required.

**Response to Comment O-365:** The commenter questions how the energy savings regulations have been incorporated to the calculations for electrical use. Electrical use was calculated using a reasonable estimated of energy demands from cultivation uses. The commenter is referred to Response to Comment O-343 regarding this rationale. The commenter is referred to the discussion on Impact 4.17-3 in *Section 4.17 Energy*, and **Response to Comment C21**. No further response is required.

**Response to Comment O-366:** The commenter reiterates that the project needs to be redefined based on realistic production rates and have a new baseline established and that new energy use rates needs to be used. The commenter is referred to **Response to Comment, K-12**, regarding the baseline, **O-229, O-232**, regarding production, and **O-341, O-342, O-343, O-344, O-345, and O-347 regarding energy use**. The commenter is referred to **Response to Comment O-365** regarding renewable energy use. No further response is required.

**Response to Comment O-367:** The sentence, “would require registration with the enforcing officer through an administrative action,” has been deleted. No further response is required.

**Response to Comment O-368:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the words, “and tanks,” has been added. No further comment is required.

**Response to Comment O-368:** The commenter provides additional detail regarding the cycles of using artificial lighting for mixed-light cultivation. The comment is noted. The impacts assessment would remain cumulatively considerable. No further response is required.

**Response to Comment O-369:** The commenter notes that farmland should be changed to read, “prime, unique, or important farmland.” The word farmland in the text has not been qualified. The fact remains that conversion of any farmland, designated or not, remains an important public policy consideration. No further response is required.

**Response to Comment O-370:** The commenter reiterates comments about total production, population increase, and demand for new homes. The comment is noted, and the commenter is referred to **Master Response 1, Response to Comment, K-12**, regarding the baseline, **O-229, O-232**, regarding production, **O-236, O-237**, and **O-238** regarding population and **O-129** and **O-226** regarding housing.

**Response to Comment O-371:** The commenter notes the concern should be toward prime, unique, and farmland of statewide importance. The comment is noted. The potential for conversion remains significant. The comment also is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word, “shall” has been added. Regarding the concern for trees being cut to enable more light for cannabis growth, this, as well as all timber harvest, would be required to be covered under the required timber harvest plans and permits. The specific amount of timber that may be taken is unknown, but it is speculative to assume all parcels will require 3-acres of timber harvest. No further response is required.

**Response to Comment O-372:** The impacts discussion is pointing to the fact that if cannabis is burned it would emit odors that would be reach off-site locations. The discussion also indicates mitigation that prohibits the burning of cannabis. The DEIR is merely disclosing a potential impact. No further discussion is required.

**Response to Comment O-373:** The commenter notes the requirements for a biological site assessment and requirements to comply with the General Order. The commenter then states other requirements related to the County permitting process and State of California requirements. The commenter then states the word would, should be changed to could. The comments are noted and discussed in the respective sections of the DEIR and FEIR. The County has elected to leave the word, “would” because implementation of the proposed NCCO and future cultivation projects would do the things indicated. No change to the significance determination has been made. No further response is required.

**Response to Comment O-374:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the number, “9,” has been deleted. No further comment is required.

**Response to Comment 375:** The commenter restates that water use is overstated. The commenter is referred to **Response to Comment O-123, and O-130**.

**Response to Comment 376:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word, “also,” has been inserted. No further comment is required.

**Response to Comment 377:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and, “al,” has been deleted. No further comment is required.

**Response to Comment 378:** The commenter references a previous comment regarding cannabis production. The commenter is referred to **Response to Comment O-229**, and **O-232**. No further comment is required.

**Response to Comment 379:** The commenter restates concerns related to gross cannabis yield and discussion discusses consumption of the 12 and older population. The commenter then notes that at full buildout noting the date is not shown (because it is not known and not known if it will even occur, the proposed project is for an ordinance that provides a mechanism for the permitting of legal cannabis cultivation and does not itself propose any construction or cultivation projects). The commenter goes on to state that production will be greater than instate consumption and provides a table with production estimates. The commenter is referred to **Response to Comment O-229**, and **O-230**. No further comment is required.

**Response to Comment 380:** The commenter states the project is far too large with 27,207 parcels. The commenter restates figures regarding the existing market, use rates, production, population growth, monthly expenses of users, overall business profitability, and other information that has been stated and repeated numerous times. The commenter is referred to **Response to Comment K-4, K-6, K-12, K-16, K-18, L-5, L-6, and O-129**, for the use of 27,207 parcels, **Responses to Comment O-229, O-230, O-231, O-350, and O-359** regarding the market and production, and **Responses to Comments K-18, O-236, O-237, and O-238** regarding population. Regarding the monthly expense of a cannabis user to purchase cannabis and the overall business profitability; these are not issues related the CEQA. These are not issues that would result in an environmental impact and hence, are not discussed in either the DEIR or FEIR. The commenter is referred to **Response to Comment C-8, G-11**, which discusses State CEQA Guideline 15126.2 and the contents of an EIR. No further response is required.

**Response to Comment 381:** The commenter notes that the EIR process does not require a financial analysis. Immediately following the comment equates the proposed project to a “superstore” and states that if it were a, “superstore,” the document would likely include a financial analysis. The commenter then provides information on costs, investments, revenue, and provides additional details of what the proposed NCCO includes and requires and ties concludes that the grand total cost would be approximately \$8.096 Billion.

The commenter is correct that a financial analysis is not required for the proposed NCCO. As discussed, the project is an ordinance to permit commercial cannabis cultivation. The proposed project itself would not result in any new development. The commenter is referred to Section 3.0 Project Description, which describes the intent of the proposed NCCO and **Response to Comment J-4**, which lists the CEQA requirements related to a project description. Other information provided by the commenter is beyond the scope of the Program EIR. The Commenter is referred to **Master Response 2, Response to Comment C-8**, and **K-4** regarding the appropriateness of a Program EIR for the proposed project. No further Response is Required.

**Response to Comment 382:** The commenter states the project does not include enough area for ancillary structures and provides information on the area needed. This comment is noted but does not question or comment on the adequacy of the DEIR. No further response is required.

**Response to Comment 383:** The commenter restates calculations related to population growth and takes exception to the DEIR stating that the proposed NCCO would not require the construction of new housing. The statement is correct. As discussed, the proposed NCCO is an ordinance that sets forth a process for commercial cannabis cultivation. The proposed NCCO would not permit any housing. **Response to Comment K-4, K-6, K-12, K-16, K-18, L-5, L-6, and O-129**, for the use of 27,207 parcels, **Responses to Comment O-229, O-230, O-231, O-350, and O-359** regarding the market and production, and **Responses to Comments K-18, O-226, O-236, O-237, and O-238** regarding population. No further comment is required.

**Response to Comment 384:** The commenter restates estimates on required employment, housing, and population increases. The commenter is referred to **Response to Comment K-4, K-6, K-12, K-16, K-18, L-5, L-6, and O-129**, for the use of 27,207 parcels, **Responses to Comment O-229, O-230, O-231, O-350, and O-359** regarding the market and production, and **Responses to Comments K-18, O-226, O-236, O-237, and O-238** regarding population.

**Response to Comment 385:** The commenter states that the cumulative impacts to public services would be cumulative because 14,541 new housing units would be added. The comment is noted. The commenter is referred to **Responses to Comments K-18, O-226, O-236, O-237, and O-238** regarding population. The proposed NCCO is an ordinance that would be used to permit commercial cannabis. The proposed NCCO does not propose the construction of any housing.

**Response to Comment 386:** The commenter states the proposed NCCO creates a new workforce and this would lead to additional vehicle trips. The commenter is referred to **Response to Comment O-236, O-237, and O-238** for a discussion of housing, and **Responses to Comment O-292 and O-357** regarding vehicle trips. No further response is required.

**Response to Comment 387:** The commenter is referred to **Response to Comment O-297**. No further response is required.

**Response to Comment 388:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word, “system,” has been added. No further comment is required.

**Response to Comment 389:** The commenter is correct that there is not a requirement to use NID water; however, the commenter is referred to Response to Comment O-316 which details prohibitions for parcels from using wells if they are in proximity to a public water source. No further comment is required.

**Response to Comment 390:** The commenter requested clarification. If cultivators use water not from a public supplier, the source they are using could reduce the availability of public water. No further response is required.

**Response to Comment 391:** The commenter reiterates that the DEIR overstates water use and restates numerous details previously discussed in previous comments. The Commenter is referred to Response to Comment **Response to Comment O-123, O-130, and O-132**.

**Response to Comment 392:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word, “the,” has been deleted. No further comment is required.

**Response to Comment 393:** The commenter restates housing estimates. The commenter is referred to Response to Comment **Response to Comment O-236, O-237, and O-238.**

**Response to Comment 394.** The commenter restates comment related to energy use. The commenter is referred to **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348.**

**Response to Comment 395:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the an “ed,”. No further comment is required.

**Response to Comment 396:** The commenter restates that impacts have not been fully addressed including housing, public services, employees, electricity, renewable energy, but water use was overestimated. The commenter notes the DEIR does not propose many mitigation measures and there would be significant and unavoidable impacts. The commenter is referred to **Response to Comment O-236, O-237, and O-238** regarding population and **O-129 and O-226** regarding housing. Impacts to Public Services are fully disclosed in *Section 4.13 Public Services*, and **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** for energy, and **Response to Comment O-123, O-130, and O-132** for water use. Mitigation measures are discussed appropriately within each section and the County agrees there would be significant and unavoidable impacts which are disclosed in *Section 5.0 Cumulative Impacts*. No further response is required.

**Response to Comment 397:** The commenter states it is not clear that water would be considered a nonrenewable resource and discusses groundwater and recapture of snowmelt, over drafting of the water table. The commenter further states that nonrenewable energy has been underestimated and says that new housing, roadway improvements, and public services will require significant building materials.

In regard to the nonrenewable resources, the DEIR states, “The use of these nonrenewable resources is expected to account for a minimal portion of the region’s resources and would not affect the availability of these resources for other needs within the region. Construction activities would not result in inefficient use of energy or natural resources.” The County recognizes that capture of snowmelt can be used and is mentioned in the DEIR. The DEIR also notes that over drafting of the water table could be substantial. Lastly, the commenter is referred to Response to Comment **O-236, O-237, and O-238** regarding population and **O-129 and O-226** regarding housing, **O-236** for demands of additional building materials, and **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** for energy, and **Response to Comment O-123, O-130, and O-132** for water use. No further response is required. No further response is required.

**Response to Comment 398:** The commenter states that CEQA requires, “also does require that a worst-case scenario be analyzed. The commenter states that housing and energy have been underestimated, states the gross cannabis production was not estimated, the commenter then goes on to state that certain things such as buildout timeline, losses of cannabis for testing and crop loss, consumption rates, cost of cannabis, farm to market programs, and various other topics that are far beyond the scope of the DEIR, PEIR. Most of the topics would require a great deal of speculation. A worst-case scenario may be used but is not required. The commenter is referred to Response to Comment K-4, and O-236 regarding this

issue. The commenter is referred to **Response to Comment O-236, O-237, and O-238** regarding population and **O-129 and O-226** regarding housing, **O-236** for demands of additional building materials, and **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** for energy. No further response is required.

**Response to Comment 399:** The previous section discussed the CEQA requirements for Growth Inducement (5.4 Growth Inducing Impacts). The subsequent Section was titled (5.5 Growth Inducing Impacts of the Project), discusses the growth inducing impacts of the project.

**Response to Comment 400:** The commenter restates previously cited numbers regarding cannabis cultivation and cites that there is growth. The commenter questions the DEIR stated, “substantial,” growth is not expected. The statement is true. Although cannabis use has increased, based on the commenter’s table (Comment O-229), based on population growth has increased approximately 1.5% since 2016 based on population. This growth in use is not substantial for the purpose of this analysis or CEQA. No further comment is required. Lastly, as the commenter ends his comment stating,

The County would like to note the commenter’s statement that, “Overproduction is already here and there is much more to come.” This statement is in conflict with the commenter’s projection of substantial growth and numerous other projections regarding demand for building materials, housing, energy consumption, etc. The use rate among the California population has remained relatively stable at approximately 15 %. Therefore, growth in the industry would be economically capped by existing and future users that would be anticipated to be roughly equivalent to this figure. Accordingly, this renders the potential for “substantial growth,” as remote. No further response is required.

**Response to Comment 401-** The commenter restates comments about housing and population growth. The commenter is referred to **Response to Comment O-236, O-237, and O-238** regarding population and **O-129 and O-226** regarding housing. No further comment is required.

**Response to Comment 402:** The commenter restates comments about housing and population growth. The commenter is referred to **Response to Comment O-236, O-237, and O-238** regarding population and **O-129 and O-226** regarding housing. No further comment is required.

**Response to Comment 403:** The commenter states figures on estimated tax revenue and restates concerns related to increased infrastructure, workers and populations. The commenter states the projected revenue stream should be discussed in the EIR. The commenter is referred to **Response to Comment O-236, O-237, and O-238** regarding population and **O-129 and O-226** regarding housing. The commenter is referred to *Section 4.13 Public Services and Utilities* and *Section 4.17- Utilities and Service Systems*, and O-277 regarding a discussion of impacts to service and utilities. No further response is required.

**Response to Comment 404:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the an “s,” has been deleted. No further comment is required.

**Response to Comment 405:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the an “s,” has been deleted. No further comment is required.

**Response to Comment 405:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the “CCPs and,” has been added. No further comment is required.

**Response to Comment 406:** The commenter notes solid fences are not required. The commenter is correct and as shown in the cited text, “fencing or other screening device...” Additionally, the paragraph in the DEIR concludes, “To meet these requirements, areas under cultivation could be screened from view by materials such as intervening (non-cannabis) vegetation, structures, or fencing.” No further comment is required.

**Response to Comment 407:** The commenter is incorrect that the 1,000-foot setback from sensitive receptors would eliminate most parcels. This is not the same as the 100’ setback from property lines. The commenter is referred to **Response to Comment M-4, O-4, O-11, and O-53**, regarding sensitive receptors and associated setbacks. No further response is required.

**Response to Comment 408:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the an “s” has been added. No further comment is required.

**Response to Comment 409:** The comment is noted. Existing regulations do not preclude inclusion to mitigation. No further comment is required.

**Response to Comment 410:** The Commenter is referred to Response to Comment O-56: No further response is required.

**Response to Comment 411:** The Commenter questions what a qualifying project for submission of a Hazardous Material Business Plan means. The commenter is referred to **Response to Comment O-56** which details the regulations. All projects would be screened for compliance during the application process. Additionally, the commenter can contact the County Hazardous Materials Division (530-265-1222) for specific information. Further discussion is beyond the scope of this EIR and the requirements of CEQA.

**Response to Comment 412:** The commenter restates that water use is overestimated. The commenter is referred to **Response to Comment O-123, O-130, and O-132**.

The second comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the a “T” has been added. No further comment is required.

No further response is required.

**Response to Comment 413:** The comment is noted. Even though generators may only be used for back-up power, the mitigation measure remains applicable. The second comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the “,” has been added. No further comment is required.

**Response to Comment 414:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the sentence has been revised “...as projects complete the CCP and ADP application process and are approved.” No further comment is required.

**Response to Comment 415:** The commenter notes the 27,207 parcels and questions that most applicants would come from the existing 3,500 estimated growers. Regardless of the percentage, the County still anticipates that most of the applicants would come from the existing 3,500 growers as they have shown the most interest obtaining permits.

**Response to Comment 416:** The commenter states the EIR is not specific about development fees, what they specifically pertain to, and what they would pay for. The commenter is referred to **Response to Comment O-297**.

**Response to Comment 417:** The commenter restates disagreement with trip and worker/population estimates. The commenter is referred to **Response to Comment O-236, O-237, and O-238** regarding population and **O-129 and O-226** regarding housing, and **Response to Comment O-292 and O-357** regarding vehicle trips. No further response is required.

**Response to Comment 418:** The commenter questions the LOS thresholds. The commenter is referred to **Response to Comment O-292 and O-357** regarding vehicle trips. Based on the traffic modeling, the LOS conclusions are accurate. No further response is required.

**Response to Comment 419:** The commenter restates that the traffic mitigation fee was not in the Draft ordinance. The commenter is referred to **Response to Comment O-295, O-297**. The commenter also discusses that the project has the potential to impact intersection impacted prior to the project and impacts would also be expected to Highway 49 and 20. The county agrees, and this is disclosed in the preceding section, *Section 4.15 Transportation and Traffic*, and concluded as a significant and unavoidable impact. The commenter is referred to **Response to Comment O-292 and O-357** regarding vehicle trips. No further response is required.

**Response to Comment 420:** The commenter notes the summary section for energy was not provided and restates concerns regarding the energy analysis. The commenter is correct, the summary of the project impacts to energy, impacts disclosed in *Section 4.17 Energy* were omitted. A summary of these impacts has been added to the FEIR and reads as follows:

“Impacts from the proposed, should all eligible 27,207 parcels be used for commercial cannabis cultivation would require a substantial amount of energy (5,018,186,592 KWh), which would be in excess of current supply. In addition, the increased vehicle travel would result in an increased demand for approximately 6,214 gallons per day of fuel. Both impacts are significant and unavoidable even after mitigation. To enable the distribution of energy, new infrastructure and facilities would be required and the increased demand could constrain regional supplies and affect peak and base power. These impacts also were significant and unavoidable. As part of the screening process for future commercial cannabis projects under the proposed NCCO would verify that projects comply with energy standards such as SB 350 and CDFA regulations §8305, and §8203 regarding use of renewable energy sources. Therefore; the project would not conflict with existing energy standards including those for conservation.”

Regarding energy not being addressed for ancillary facilities, the commenter is referred to **Response to Comment O-343 and O 345**.

**Response to Comment 421:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the sentence has been revised and the word “in” has been added. No further comment is required.

**Response to Comment 422:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the sentence has been revised and the language “because it would prohibit” has been added. No further comment is required.

**Response to Comment 423:** The commenter states “marijuana” should be changed to “cannabis.” The referenced section identified language from the current ordinance. The current ordinance uses the word, “marijuana.” No further response is required.

**Response to Comment 424:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and a “t” has been added. No further comment is required.

**Response to Comment 425:** The complete citation from the code states, “Indoor grow lights shall not exceed one thousand two hundred watts (1,200 W) and shall comply with the California Building, Electrical and Fire Codes as adopted by the County of Nevada. Gas products (including, without limitation, CO<sub>2</sub>, butane, propane and natural gas), or generators shall not be used within any structure used for Indoor Cultivation. Grow light systems associated with Cultivation shall be shielded to confine light and glare to the interior of the structure and shall conform to all applicable building and electrical codes.”

No further response is required.

**Response to Comment 426:** The No Project Alternative would require certain applications and permits such as those for buildings, water sources, etc. No further comment is required.

**Response to Comment 427:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the word “not” has been deleted. No further comment is required.

**Response to Comment 428:** The commenter restates the 1,000-foot setback comment. The commenter is referred to **Response to Comment M-4, O-11, and O-53**.

**Response to Comment 429:** The current ordinance states, “Temporary Medical Commercial Cannabis Cultivation/Transport permit may be issued by the Community Development Agency Director, or his/her designee (permitting authority), at his/her discretion only if the applicant meets all of the following conditions:” The words, “and personal use,” has been deleted.

**Response to Comment 430:** The commenter is referred to **Response to Comment O-429**.

**Response to Comment 431:** The sentence is in relation to the fact that outdoor cultivation would be substantially reduced and less water would be needed, and therefore; fewer water diversions would be used. No further comment is required. The commenter is referred to Response to Comment O-46 regarding continued illegal cannabis cultivation. No further response is required.

**Response to Comment 432:** The comment regarding hazardous materials is noted and the County agrees with the commenter that it would be reduced.

**Response to Comment 433:** *Section 4.16 Utilities and Service Systems* discusses the Truckee-Donner PUD and other smaller community water districts. No further response is required.

**Response to Comment 434:** The County recognizes that the use of tractors and heavy equipment is limited but nonetheless may be used. Under the No Project Alternative, the use of this equipment would be further reduced from the proposed NCCO as discussed. No further comment is required.

**Response to Comment 435:** The reference to a security plan is in reference to uses cultivation other than for personal use. The word, “commercial and non-remuneration.”

**Response to Comment 436:** The commenter is referred to **Response to Comment O-236**. In addition, as individual projects under the proposed NCCO would be phased in over time, the impacts to public facilities would remain similar. No further comment is required.

**Response to Comment 437:** The commenter is referred to **Response to Comment O-274**, and **O-279**. In addition, as individual projects under the proposed NCCO would be phased in over time, the impacts to recreation would remain similar. No further comment is required.

**Response to Comment 438:** The discussion identifies that there would be differences in the level of impacts. The DEIR states, “Although similar in some regards...impacts would be less than the proposed project.” The County does not disagree with the commenter. No further comment is required.

**Response to Comment 439:** The term (OWTS) is in reference to an Onsite Wastewater Treatment Systems. It has been added. The sentence has otherwise not be revised. No further comment is required.

**Response to Comment 440:** The RWQCB, LRWQCB, and CVRWQCB require various types of permits for a variety of discharges and other activities. The commenter is referred to **Response to Comment F-4, F-11, F-13, G-5, G-6, and G-7**. No further response is required.

**Response to Comment 441:** *Section 4.16 Utilities and Services Systems* discusses the water supplies, see response to comment O-433, above. Nevada Irrigation District (NID) would be the primary water supplier and therefore was discussed in the most detail in the DEIR. The commenter is referred to **Response to Comment O-323** regarding the use of herbicides. No further response is required.

**Response to Comment 442:** The comment is noted regarding the comments under a separate cover. No additional response is required.

**February 21, 2019**

Submitted by Gary Baker

Plan-*aire* Landscape Architects and Planners

**Public Comments Due by February 25, 2019**

## **Appendix – for Suggested Solutions for NCCO Draft EIR**

### **Section A. – Project Alternatives**

#### ***Preferred Alternative 5 Shown First:***

|           | February 21, 2019 by: <i>Plan-<i>aire</i>.com</i> |
|-----------|---------------------------------------------------|
| Study No. | Name of Project Alternative                       |
| No. 1     | Original Project as Shown in Draft EIR            |
| No. 2     | 30% Project Alternative                           |
| No. 3     | Alternative 1A (33% Indoor, Mixed & Outdoor)      |
| No. 4     | Alternative 1B (Reduce 500 SF Sites - 33% Mix)    |
| No. 5     | Alternative 1C (55% Outdoor - Increased Indoor)   |
| No. 6     | Alternative 1D (55% Outdoor - Increase Indoor)    |
| No. 7     | Alternative 1E (55% Outdoor-Add Mixed-light 1)    |
| No. 8     | Alternative 1F (Add Mixed-light 1, Indoor 3.5)    |
| No. 9     | Alternative 2A (5,250 Permits - 55% Outdoor)      |
| No. 10    | Alternative 2B (5,250 Permits - 60% Outdoor)      |
| No. 11    | Alternative 3A (5,000 Permits - 60% Outdoor)      |
| No. 12    | Alternative 4A (4,000 Permits - 60% Outdoor)      |
| No. 13    | Alternative 4B (4,000 Permits - 70% Outdoor)      |
| No. 14    | Alternative 5 (4,250 Permits - 70% Outdoor)       |

### **Section B. - Calculating Yield**

### **Section C. – Cannabis Use and Growth Rates**

### **Section D. - Electric Use, Heat Build-up and Risk of Crop Failure**

### **Section E. - What Does CEQA Actually Require**

### **Section F: - Estimated Regulatory Costs for Cannabis Production**

### **Section G: - Economic Impact Study: Cannabis Sector in Greater Sacramento Area**

### **Section H. - Websites Consulted for the Preparation of this Report**

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| Alternative 5 (4,250 Permits - 70% Outdoor)                               |                 |                 |                      |               |         | Page 1 of 2         |                     |                    |                       |                       |                   |                         |                         |        |  |             |                           |
|---------------------------------------------------------------------------|-----------------|-----------------|----------------------|---------------|---------|---------------------|---------------------|--------------------|-----------------------|-----------------------|-------------------|-------------------------|-------------------------|--------|--|-------------|---------------------------|
| February 16, 2019 by: Plan-aire.com                                       |                 |                 |                      |               |         | Land Information    |                     | Canopy Information |                       |                       |                   |                         |                         | 43,560 |  | AE, AG & FR | RA-Rural                  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels   | AE, AG, FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. |        |  |             | Total Project Quick Facts |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF        | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 75                  | 75                 | 150                   |                       |                   | -                       | 37                      |        |  |             | Total Employees           |
| Permit Allocation                                                         | 4%              | 24%             | 38%                  | 35%           | 100%    | 500 SF              | -                   | 37500              | 37,500                | 0.9                   | 0.16%             |                         |                         |        |  |             | 12,024                    |
| Total Cultivation Permits                                                 | 150             | 1,000           | 1,600                | 1,500         | 4,250   | 5 to 10 acres       | 500                 | 500                | 1,000                 |                       |                   | -                       | 1,050                   |        |  |             | Electric Use MWh          |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830           | 4,097                | 5,358         | 12,666  | 2,500 SF            | -                   | 1250000            | 1,250,000             | 28.7                  | 5.32%             |                         |                         |        |  |             | 599,471                   |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%           | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 1,541               | 59                 | 1,600                 |                       |                   | 1,808                   | 1,953                   |        |  |             | Solar Panels/40%          |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%          | 32.35%               | 42.30%        | 100%    | Over 20 acres       | 7,406,395           | 296802.5384        | 7,703,197             | 176.8                 | 32.76%            |                         |                         |        |  |             | 417,227                   |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228           | 5,698                | 6,445         | 27,207  | 10,000 SF           | 14,042,553          | 478723.4043        | 14,521,277            | 333                   | 61.76%            |                         | 2,800                   |        |  |             | Water - Acre Feet         |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%          | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 21,448,948          | 2,063,026          | 23,511,974            | 539.8                 | 100.00%           | 1,693                   | 817                     |        |  |             | 847.66                    |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191           | 152                  | 171           | 2,524   |                     |                     |                    |                       |                       |                   |                         |                         |        |  |             | 2060 Market Share         |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558           | 327                  | 367           | 5,422   | Production SF       |                     |                    |                       |                       |                   |                         |                         |        |  |             | 115.6%                    |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021           | 4,249                | 5,529         | 15,190  |                     |                     |                    |                       |                       |                   |                         |                         |        |  |             |                           |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786          | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                    | 262,500               |                       | 0.65%             | Accessory Space         | 24,002,138              |        |  |             | 587.1                     |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 1.10%           | 6.08%           | 27.04%               | 22.53%        | 13.11%  | Indoor              |                     |                    | 4,462,500             |                       | 11.11%            | 93.85%                  |                         |        |  |             |                           |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 75              | 500             | 1,541                | 1,452         | 3,568   | Total Indoor        |                     |                    | 4,725,000             |                       |                   | Other Site Work         | 5,115,000               |        |  |             |                           |
| % of RA-Rural to AE, AG, & FR w Res.                                      | 11%             | 55%             | 39%                  | 28%           | 34%     | Mixed-light 1       |                     |                    | 7,650,000             |                       | 19.04%            | 20%                     |                         |        |  |             |                           |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 75              | 500             | 59                   | 48            | 682     | Mixed-light 2       |                     |                    | 9,945,000             |                       | 24.76%            | Subtotal                | 54,692,138              |        |  |             |                           |
| Total Permits Issued All zones                                            | 150             | 1,000           | 1,600                | 1,500         | 4,250   | Outdoor             |                     |                    | 17,850,000            |                       | 44.44%            | Solar Panels            | 7,318,575               |        |  |             |                           |
|                                                                           |                 |                 |                      |               |         | Total Production SF |                     |                    | 40,170,000            |                       | 100.00%           | 28.62%                  | Disturbed SF            |        |  |             |                           |
|                                                                           |                 |                 |                      |               |         |                     |                     |                    |                       |                       |                   | 242.47%                 | 62,010,712              |        |  |             | 1,423.6                   |

| Alternative 5 (4,250 Permits - 70% Outdoor) | Cannabis Production Area |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
|---------------------------------------------|--------------------------|----------------------|---------------------------|---------------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com         | 2 Acres to 5 Acres       |                      |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres                            |                      |                           | Over 20 Acres |                      |                           |                                      |                                     |
| AG, AE and FR zones                         | % of Canopy              | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet           | 500                      |                      |                           | 2,500               |                        |                           | 5,000                                           |                      |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                     | 100%                     |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                     | 150                      | 3.5                  | 262,500                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           | 262,500                              | 27,663                              |
| Total Square Feet of Canopy - Annually      |                          |                      | 262,500                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| 2,500 Square Feet                           |                          |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                     |                          |                      |                           | 1,000               |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                     |                          |                      |                           | 5.00%               | 3.5                    | 437,500                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                               |                          |                      |                           | 12.00%              | 2.5                    | 750,000                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                               |                          |                      |                           | 13.00%              | 3                      | 975,000                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                    |                          |                      |                           | 70.00%              | 1                      | 1,750,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually      |                          |                      |                           | 100.00%             |                        | 3,912,500                 |                                                 |                      |                           |               |                      |                           | 3,912,500                            | 412,305                             |
| 5,000 Square Feet                           |                          |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                     |                          |                      |                           |                     |                        |                           | 1,600                                           |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                     |                          |                      |                           |                     |                        |                           | 5.00%                                           | 3.5                  | 1,400,000                 |               |                      |                           |                                      |                                     |
| Mixed Light 1                               |                          |                      |                           |                     |                        |                           | 12.00%                                          | 2.5                  | 2,400,000                 |               |                      |                           |                                      |                                     |
| Mixed Light 2                               |                          |                      |                           |                     |                        |                           | 13.00%                                          | 3                    | 3,120,000                 |               |                      |                           |                                      |                                     |
| Outdoors                                    |                          |                      |                           |                     |                        |                           | 70.00%                                          | 1                    | 5,600,000                 |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually      |                          |                      |                           |                     |                        |                           | 100.00%                                         |                      | 12,520,000                |               |                      |                           | 12,520,000                           | 1,319,377                           |
| 10,000 Square Feet                          |                          |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                     |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 1,500         |                      |                           |                                      |                                     |
| Indoors                                     |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 5.00%         | 3.5                  | 2,625,000                 |                                      |                                     |
| Mixed Light 1                               |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 12.00%        | 2.5                  | 4,500,000                 |                                      |                                     |
| Mixed Light 2                               |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 13.00%        | 3                    | 5,850,000                 |                                      |                                     |
| Outdoors                                    |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 70.00%        | 1                    | 10,500,000                |                                      |                                     |
| Total Square Feet of Canopy - Annually      |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 100.00%       |                      | 23,475,000                | 23,475,000                           | 2,473,831                           |
| Gross Production Before Adjustments         |                          | 4,233,175            | % of 2060 Market Share    | 115.6%              | % of 2040 Market Share | 126.4%                    | % of 2016 Production Level                      | 162.8%               |                           |               |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                | -40.68%                  | 2,511,120            | Net Potential Crop        |                     | Total Parcels          | 4,250                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |               |                      |                           | 40,170,000                           | 4,233,175                           |
| Loss Before Trimming                        | -12.50%                  | 2,197,230            | Net Production            |                     | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      |                           |               |                      |                           | 1,920,126,000                        |                                     |
| Adjustment for Lab Testing                  | -12.50%                  | 1,922,576            | Total Saleable Pounds     |                     | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      |                           |               |                      |                           | 4,233,175                            |                                     |

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| Original Project as Shown in Draft EIR                                    |                 |                      |                           |               |                        | Page 1 of 2               |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
|---------------------------------------------------------------------------|-----------------|----------------------|---------------------------|---------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|-----------------------|-----------------------|---------------------------|-------------------------|----------------------|---------------------------|-------------------------|--|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com                                       |                 |                      |                           |               |                        | Land Information          |                                                 | Canopy Information   |                           |                       |                       |                           |                         | 43,560               |                           | AE, AG & FR             |  | RA-Rural                             |                                     |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres      | 10 acres to 20 acres      | Over 20 Acres | Total                  | Maximum Canopy            |                                                 | AE, AG & FR Parcels  | RA-Rural Parcels          | AE, AG, FR & RA-Rural | Total acres of Canopy | % of Total Canopy         | Avg. Canopy SF per Res. |                      |                           | Avg. Canopy SF per Res. |  | Total Project Quick Facts            |                                     |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF             | 5,000 SF                  | 10,000 SF     |                        | 2 to 5 acres              | 6,836                                           | -                    | 6,836                     |                       | 78.5                  | 2.92%                     | 2,475                   | -                    |                           |                         |  | Total Employees                      |                                     |
| No Permit Allocation                                                      | N/A             | N/A                  | N/A                       | N/A           | N/A                    | 500 SF                    | 3,418,000                                       | 0                    | 3,418,000                 |                       |                       |                           |                         |                      |                           |                         |  | 83,296                               |                                     |
| Total Cultivation Permits                                                 | 6,836           | 8,228                | 5,698                     | 6,445         | 27,207                 | 5 to 10 acres             | 8,228                                           | -                    | 8,228                     |                       |                       |                           |                         |                      |                           |                         |  | Electric Use MWh                     |                                     |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830                | 4,097                     | 5,358         | 12,666                 | 2,500 SF                  | 20,570,000                                      | 0                    | 20,570,000                |                       | 472.2                 | 17.59%                    | 11,240                  | -                    |                           |                         |  | 8,456,089                            |                                     |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%                | 15.06%                    | 19.69%        | 46.55%                 | 10 to 20 acres            | 5,698                                           | -                    | 5,698                     |                       |                       |                           |                         |                      |                           |                         |  | Solar Panels/40%                     |                                     |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%               | 32.35%                    | 42.30%        | 100%                   | 5,000 SF                  | 28,490,000                                      | 0                    | 28,490,000                |                       | 654.0                 | 24.37%                    | 6,954                   | -                    |                           |                         |  | 5,885,363                            |                                     |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228                | 5,698                     | 6,445         | 27,207                 | Over 20 acres             | 6,445                                           | -                    | 6,445                     |                       |                       |                           |                         |                      |                           |                         |  | Water - Acre Feet                    |                                     |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%               | 20.94%                    | 23.69%        | 100.00%                | 10,000 SF                 | 64,450,000                                      | 0                    | 64,450,000                |                       | 1,480                 | 55.12%                    | 12,029                  | -                    |                           |                         |  | 3,875.45                             |                                     |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191                | 152                       | 171           | 2,524                  | Total Canopy              | 116,928,000                                     | -                    | 116,928,000               |                       | 2,684.3               | 100.00%                   | 9,232                   | -                    |                           |                         |  | 2060 Market Share                    |                                     |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558                | 327                       | 367           | 5,422                  | Production SF             |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  | 791.5%                               |                                     |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021                | 4,249                     | 5,529         | 15,190                 | Indoor 500 SF             |                                                 |                      | 10,254,000                |                       |                       |                           |                         |                      |                           |                         |  | Disturbed Area Canopy                |                                     |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786               | 6,025                     | 6,812         | 32,629                 | Indoor                    |                                                 |                      | 113,510,000               |                       |                       |                           |                         |                      |                           |                         |  | Square Feet                          |                                     |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 100%            | 100%                 | 100%                      | 100%          | 100%                   | Total Indoor              |                                                 |                      | 123,764,000               |                       |                       |                           |                         |                      |                           |                         |  | Acres                                |                                     |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 6,836           | 8,228                | 5,698                     | 6,445         | 27,207                 | Mixed-light 1             |                                                 |                      | -                         |                       |                       |                           |                         |                      |                           |                         |  | 116,928,000                          |                                     |
| % of RA-Rural to AE, AG, & FR w Res.                                      | 73%             | 65%                  | 4%                        | 3%            | 20%                    | Mixed-light 2             |                                                 |                      | 113,510,000               |                       |                       |                           |                         |                      |                           |                         |  | 2,684.3                              |                                     |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | -               | -                    | -                         | -             | -                      | Outdoor                   |                                                 |                      | 37,836,667                |                       |                       |                           |                         |                      |                           |                         |  | 109,736,928                          |                                     |
| Total Permits Issued All zones                                            | 6,836           | 8,228                | 5,698                     | 6,445         | 27,207                 | Total Production SF       |                                                 |                      | 275,110,667               |                       |                       |                           |                         |                      |                           |                         |  | 23,385,600                           |                                     |
| Original Project as Shown in Draft EIR                                    |                 |                      |                           |               |                        | Cannabis Production Area  |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| February 16, 2019 by: Plan-aire.com                                       |                 |                      |                           |               |                        | 2 Acres to 5 Acres        |                                                 |                      | 5 Acres to 10 Acres       |                       |                       | 10 Acres to 20 Acres      |                         |                      | Over 20 Acres             |                         |  | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
| AG, AE and FR zones                                                       | % of Canopy     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy           | Grow Cycles per Year  | Annual S.F. of Production | % of Canopy             | Grow Cycles per Year | Annual S.F. of Production |                         |  |                                      |                                     |
| Maximum Canopy Size - Square Feet                                         | 500             |                      |                           | 2,500         |                        |                           | 5,000                                           |                      |                           | 10,000                |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| 500 Square Feet Indoors                                                   | 100%            |                      |                           |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Parcels                                                                   | 6,836           | 3                    | 10,254,000                |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Total Square Feet of Canopy - Annually                                    |                 |                      | 10,254,000                |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  | 10,254,000                           | 1,080,582                           |
| 2,500 Square Feet                                                         |                 |                      |                           |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Parcels                                                                   |                 |                      |                           | 8,228         |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Indoors                                                                   |                 |                      |                           | 33.33%        | 3                      | 20,570,000                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Mixed Light 1                                                             |                 |                      |                           |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Mixed Light 2                                                             |                 |                      |                           | 33.33%        | 3                      | 20,570,000                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Outdoors                                                                  |                 |                      |                           | 33.33%        | 1                      | 6,856,666.67              |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Total Square Feet of Canopy - Annually                                    |                 |                      |                           | 100.00%       |                        | 47,996,667                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  | 47,996,667                           | 5,057,961                           |
| 5,000 Square Feet                                                         |                 |                      |                           |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Parcels                                                                   |                 |                      |                           |               |                        |                           | 5,698                                           |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Indoors                                                                   |                 |                      |                           | 33.33%        | 3                      | 28,490,000                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Mixed Light 1                                                             |                 |                      |                           |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Mixed Light 2                                                             |                 |                      |                           | 33.33%        | 3                      | 28,490,000                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Outdoors                                                                  |                 |                      |                           | 33.33%        | 1                      | 9,496,667                 |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Total Square Feet of Canopy - Annually                                    |                 |                      |                           | 100.00%       |                        | 66,476,667                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  | 66,476,667                           | 7,005,412                           |
| 10,000 Square Feet                                                        |                 |                      |                           |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Parcels                                                                   |                 |                      |                           |               |                        |                           |                                                 |                      |                           | 6,445                 |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Indoors                                                                   |                 |                      |                           | 33.33%        | 3                      | 64,450,000                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Mixed Light 1                                                             |                 |                      |                           |               |                        |                           |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Mixed Light 2                                                             |                 |                      |                           | 33.33%        | 3                      | 64,450,000                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Outdoors                                                                  |                 |                      |                           | 33.33%        | 1                      | 21,483,333                |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Total Square Feet of Canopy - Annually                                    |                 |                      |                           | 100.00%       |                        | 150,383,333               |                                                 |                      |                           |                       |                       |                           |                         |                      |                           |                         |  | 150,383,333                          | 15,847,623                          |
| Gross Production Before Adjustments                                       |                 | 28,991,578           | % of 2060 Market Share    | 791.5%        | % of 2040 Market Share | 865.7%                    | % of 2016 Production Level                      | 1114.7%              |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Adjustment for Effectiveness                                              | -40.68%         | 17,197,804           | Net Potential Crop        |               | Total Parcels          | 27,207                    | Total Project: Square Feet Of Canopy - Annually | 275,110,667          |                           |                       |                       |                           |                         |                      |                           |                         |  | 28,991,578                           |                                     |
| Loss Before Trimming                                                      | -12.50%         | 15,048,079           | Net Production            |               | Grams per Square Feet  | 47.8                      | Total Grams of Production                       | 13,150,289,867       |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |
| Adjustment for Lab Testing                                                | -12.50%         | 13,167,069           | Total Saleable Pounds     |               | Grams per Pound        | 453.59                    | Total Pounds of Production                      | 28,991,578           |                           |                       |                       |                           |                         |                      |                           |                         |  |                                      |                                     |

| Original Project as Shown in Draft EIR                                                                  |                              |                                 | Page 2 of 2                                          |                                      | February 16, 2019 by: Plan-aire.com |                             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|------------------------------------------------------|--------------------------------------|-------------------------------------|-----------------------------|------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------|--------------------------------------------|--|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                 |                                                      |                                      |                                     |                             | Cultivation Average Total Employees Per Parcel | Cultivation Only Number of Full Time Employees | Cultivation Number of Full Time Employees Per Permit            | Trimming Only Number of Full Time Employees                        | Trimming Number of Full Time Employees Per Permit | Total Project Number of Full Time Employees | Average Full Time Employees By Parcel Size |  |
| * Updated Feb. 17, 2018                                                                                 | Cultivation Area Square Feet | Total Project Number of Permits | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor 1/2 Year Only       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Parcel Size                                                                                             |                              |                                 |                                                      |                                      |                                     |                             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 2-5 acres                                                                                               | 500                          | 6,836                           | 0.5                                                  | 0                                    | 0                                   | 0.5                         | 3,418                                          | 3,418                                          | 1,683                                                           |                                                                    |                                                   | 5,101                                       | 0.75                                       |  |
|                                                                                                         |                              | 6,836                           |                                                      |                                      |                                     |                             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 5-10 acres                                                                                              | 2,500                        | 8,228                           | 1.5                                                  | 1.25                                 | 1.5                                 | 0.5                         | 1.19                                           | 9,599                                          | 7,876                                                           |                                                                    |                                                   | 17,475                                      | 2.12                                       |  |
|                                                                                                         |                              | 8,228                           | 2,743                                                | 0                                    | 2,743                               | 2,743                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 10-20 acres                                                                                             | 5,000                        | 5,698                           | 2                                                    | 1.75                                 | 2                                   | 0.75                        | 1.63                                           | 9,022                                          | 10,908                                                          |                                                                    |                                                   | 19,930                                      | 3.50                                       |  |
|                                                                                                         |                              | 5,698                           | 1,899                                                | 0                                    | 1,899                               | 1,899                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Over 20 acres                                                                                           | 10,000                       | 6,445                           | 3                                                    | 2.5                                  | 3                                   | 1.5                         | 2.50                                           | 16,113                                         | 24,677                                                          |                                                                    |                                                   | 40,790                                      | 6.33                                       |  |
|                                                                                                         |                              | 6,445                           | 2,148                                                | 0                                    | 2,148                               | 2,148                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Total Permits                                                                                           |                              | 27,207                          |                                                      |                                      |                                     | Total Cultivation Employees | 38,152                                         | 1.40                                           | 45,144                                                          | 1.66                                                               |                                                   | 83,296                                      | 3.06                                       |  |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                 |                                                      |                                      |                                     |                             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Conversion                                           | Yield                                |                                     |                             |                                                | Trimming Hours Per Pound                       | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Project Water Use                                 |                                             |                                            |  |
|                                                                                                         |                              |                                 | 0.51905                                              | Indoor                               | Mixed-light Tier 1                  | Mixed-light Tier 2          | Outdoor                                        |                                                |                                                                 |                                                                    | Water Use Gallons Per Permitted Site 6 Gal./Plant | Number of Permits Issued                    | Total Project Gallons Per Year             |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | Total Project Acre Feet Per Year           |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | 325,851.43                                 |  |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 6,836                           | 560,876                                              | -                                    | -                                   | -                           | 560,876                                        | 6                                              | 0.25                                                            | 1,683                                                              | 5,400                                             | 6,836                                       | 36,914,400                                 |  |
| Square Feet of Production                                                                               |                              |                                 | 10,254,000                                           |                                      |                                     |                             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.25                                                 | -                                    | -                                   | -                           |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 8,228                           | 1,125,143                                            | -                                    | 1,125,143                           | 375,048                     | 2,625,335                                      | 6                                              | 0.96                                                            | 7,876                                                              | 27,000                                            | 8,228                                       | 222,156,000                                |  |
| Square Feet of Production                                                                               |                              |                                 | 20,570,000                                           | 0                                    | 20,570,000                          | 6,856,667                   |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.41                                                 | -                                    | 0.41                                | 0.14                        |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 5,698                           | 1,558,354                                            | -                                    | 1,558,354                           | 519,451                     | 3,636,159                                      | 6                                              | 1.91                                                            | 10,908                                                             | 54,000                                            | 5,698                                       | 307,692,000                                |  |
| Square Feet of Production                                                                               |                              |                                 | 28,490,000                                           | 0                                    | 28,490,000                          | 9,496,667                   |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.82                                                 | -                                    | 0.82                                | 0.27                        |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 6,445                           | 3,525,304                                            | -                                    | 3,525,304                           | 1,175,101                   | 8,225,709                                      | 6                                              | 3.83                                                            | 24,677                                                             | 108,000                                           | 6,445                                       | 696,060,000                                |  |
| Square Feet of Production                                                                               |                              |                                 | 64,450,000                                           | -                                    | 64,450,000                          | 21,483,333                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 1.64                                                 | -                                    | 1.64                                | 0.55                        |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| Total Permits                                                                                           |                              | 27,207                          |                                                      | Total Net Production Before Trimming |                                     |                             | 15,048,079                                     | See Table Above for Total Employees            |                                                                 |                                                                    | Total Water Gallons                               |                                             | 1,262,822,400                              |  |
|                                                                                                         |                              |                                 |                                                      | Total Net Production Before Trimming |                                     |                             | 15,048,079                                     | Trimming Employees Only                        |                                                                 | 45,144                                                             | Total Acre Feet                                   |                                             | 3,875.45                                   |  |
| Electric Use for Project                                                                                |                              | Cultivation Area Square Feet    | Electric Use kWh per S.F. per Year- Cultivation Only |                                      |                                     |                             |                                                | Electric Use Accessory Buildings               |                                                                 |                                                                    |                                                   | Electric Use Notes:                         |                                            |  |
|                                                                                                         |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor                     | Total kW Hours                                 | Indoor                                         | Mixed-light Tier 1                                              | Mixed-light Tier 2                                                 | Outdoor                                           | Total kW Hours                              | Lighting HVAC                              |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 6,836                           | 135                                                  |                                      |                                     |                             |                                                | 3.82                                           | Note: Accessory Structures: 93.85% of Canopy                    |                                                                    |                                                   |                                             | 100 35                                     |  |
| Square Feet of Production                                                                               |                              |                                 | 3,418,000                                            |                                      |                                     |                             | 461,430,000                                    | 3,418,000                                      | Processing Area: 9.6%, Warehouse: 22.4%                         |                                                                    |                                                   |                                             | Mixed-light 1: kWh per SF                  |  |
|                                                                                                         |                              |                                 | 461,430,000                                          |                                      |                                     |                             |                                                | 13,044,455                                     | Ag. Build: 36.85%, Immature Plants: 25%                         |                                                                    |                                                   | 13,044,455                                  | 7.7 15                                     |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 8,228                           | 135                                                  | 22.7                                 | 62                                  | 2.5                         |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | Mixed-light 2: kWh per SF                  |  |
| Square Feet of Production                                                                               |                              |                                 | 6,856,667                                            | -                                    | 6,856,667                           | 6,856,667                   | 1,367,905,000                                  | 6,856,667                                      | -                                                               | 6,856,667                                                          | 6,856,667                                         |                                             | 32 30                                      |  |
|                                                                                                         |                              |                                 | 925,650,000                                          | -                                    | 425,113,333                         | 17,141,667                  |                                                | 26,167,783                                     | -                                                               | 26,167,783                                                         | 26,167,783                                        | 78,503,348                                  | Outdoor: kWh per SF                        |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 5,698                           | 135                                                  | 22.7                                 | 62                                  | 2.5                         |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | 0.5 2                                      |  |
| Square Feet of Production                                                                               |                              |                                 | 9,496,667                                            | -                                    | 9,496,667                           | 9,496,667                   | 1,894,585,000                                  | 9,496,667                                      | -                                                               | 9,496,667                                                          | 9,496,667                                         |                                             | Accessory Buildings % of Canopy            |  |
|                                                                                                         |                              |                                 | 1,282,050,000                                        | -                                    | 588,793,333                         | 23,741,667                  |                                                | 36,243,079                                     | -                                                               | 36,243,079                                                         | 36,243,079                                        | 108,729,236                                 | Processing 11.8 kWh/SF at 9.6%             |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 6,445                           | 135                                                  | 22.7                                 | 62                                  | 2.5                         |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | Warehouse 6.4 kWh/SF at 22.4%              |  |
| Square Feet of Production                                                                               |                              |                                 | 21,483,333                                           | -                                    | 21,483,333                          | 21,483,333                  | 4,285,925,000                                  | 21,483,333                                     | -                                                               | 21,483,333                                                         | 21,483,333                                        |                                             | Total Project Electric Use                 |  |
|                                                                                                         |                              |                                 | 2,900,250,000                                        | -                                    | 1,331,966,667                       | 53,708,333                  |                                                | 81,988,993                                     | -                                                               | 81,988,993                                                         | 81,988,993                                        | 245,966,980                                 | 8,456,089,019 kWh Hours                    |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                             | kW Hours 8,009,845,000                         |                                                |                                                                 |                                                                    |                                                   | kW Hours 446,244,019                        | 8,456,089 Megawatts                        |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                             | Megawatts 8,009,845                            |                                                |                                                                 |                                                                    |                                                   | Gigawatts 446                               | 8,456 Gigawatts                            |  |
| Solar Panels - Renewable Energy                                                                         |                              | 40% of Total Project Use        | Use of 350 Watt Solar Panels                         |                                      |                                     |                             | Includes Cultivation & Accessory SF            | Solar Calculations                             |                                                                 |                                                                    |                                                   |                                             |                                            |  |
|                                                                                                         |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor                     | Total Solar Panels                             | One 350W Solar Panel                           |                                                                 | % Supplied by Solar Energy                                         |                                                   |                                             |                                            |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 6,836                           | 3,418,000                                            |                                      |                                     |                             | 330,230                                        | kWh Year                                       |                                                                 | S.F. / Panel                                                       |                                                   |                                             |                                            |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 330,230                                              |                                      |                                     |                             |                                                | 574.72                                         | 17.541                                                          | 50%                                                                | 45%                                               | 40%                                         |                                            |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 8,228                           | 6,856,667                                            | -                                    | 6,856,667                           | 6,856,667                   | 1,006,687                                      | Indoor                                         | 138.82                                                          | 0.24                                                               | 0.121                                             | 0.109                                       | 0.097                                      |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 662,457                                              | -                                    | 314,088                             | 30,143                      |                                                | Mixed-light 1                                  | 26.52                                                           | 0.05                                                               | 0.023                                             | 0.021                                       | 0.018                                      |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 5,698                           | 9,496,667                                            | -                                    | 9,496,667                           | 9,496,667                   | 1,394,289                                      | Mixed-light 2                                  | 65.82                                                           | 0.11                                                               | 0.057                                             | 0.052                                       | 0.046                                      |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 917,520                                              | -                                    | 435,020                             | 41,749                      |                                                | Outdoor                                        | 6.32                                                            | 0.01                                                               | 0.005                                             | 0.005                                       | 0.004                                      |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 6,445                           | 21,483,333                                           | -                                    | 21,483,333                          | 21,483,333                  | 3,154,156                                      | Avg. House                                     | 4.518                                                           | 0.01                                                               | 0.004                                             | 0.004                                       | 0.003                                      |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 2,075,612                                            | -                                    | 984,101                             | 94,444                      |                                                | 1,800 SF Nevada County 2016                    |                                                                 | Avg. No. Panels for 1,800 SF House @40%                            |                                                   |                                             | 5.66                                       |  |
| Total Canopy                                                                                            | 116,928,000                  |                                 | Total Solar Panels @ 40%                             |                                      |                                     |                             | 5,885,363                                      | 43,560                                         |                                                                 | 103,235,146                                                        | Total Square Feet of Solar Panels                 |                                             | 2,370 Acres of Solar Panels                |  |
|                                                                                                         |                              |                                 | Total Solar Panels @ 40%                             |                                      |                                     |                             | 5,885,363                                      | Total Solar Panel Area @ 40%                   |                                                                 |                                                                    | Total Square Feet of Solar Panels                 |                                             | 2,370 Acres of Solar Panels                |  |

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| 30% Project Alternative                                                   |                 |                  |                      |               | Page 1 of 2 |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |
|---------------------------------------------------------------------------|-----------------|------------------|----------------------|---------------|-------------|---------------------|---------------------|------------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|-----------------|--|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 | Land Information |                      |               |             |                     | Canopy Information  |                  |                     |                       |                   | 43,560                  |                         | AE, AG & FR               | RA-Rural        |  |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres  | 10 acres to 20 acres | Over 20 Acres | Total       | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |                 |  |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF         | 5,000 SF             | 10,000 SF     |             | 2 to 5 acres        | 2,051               | -                | 2,051               |                       |                   | 743                     | -                       | Total Employees           |                 |  |  |  |
| Permit Allocation                                                         | 25%             | 30%              | 21%                  | 24%           | 100%        | 500 SF              | 1,025,500           | 0                | 1,025,500           | 23.5                  | 2.92%             |                         |                         | 24,990                    |                 |  |  |  |
| Total Cultivation Permits                                                 | 2,051           | 2,468            | 1,709                | 1,934         | 8,162       | 5 to 10 acres       | 2,468               | -                | 2,468               |                       |                   | 3,372                   | -                       | Electric Use MWh          |                 |  |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830            | 4,097                | 5,358         | 12,666      | 2,500 SF            | 6,170,000           | 0                | 6,170,000           | 141.6                 | 17.59%            |                         |                         | 2,536,981                 |                 |  |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%            | 15.06%               | 19.69%        | 46.55%      | 10 to 20 acres      | 1,709               | -                | 1,709               |                       |                   | 2,086                   | -                       | Solar Panels/40%          |                 |  |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%           | 32.35%               | 42.30%        | 100%        | 5,000 SF            | 8,545,000           | 0                | 8,545,000           | 196.2                 | 24.36%            |                         |                         | 1,765,716                 |                 |  |  |  |
|                                                                           |                 |                  |                      |               |             | Over 20 acres       | 1,934               | -                | 1,934               |                       |                   | 3,610                   | -                       | Water - Acre Feet         |                 |  |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228            | 5,698                | 6,445         | 27,207      | 10,000 SF           | 19,340,000          | 0                | 19,340,000          | 444                   | 55.13%            |                         |                         | 1,162.71                  |                 |  |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%           | 20.94%               | 23.69%        | 100.00%     | Total Canopy        | 35,080,500          | -                | 35,080,500          | 805.3                 | 100.00%           | 2,770                   | -                       | 2060 Market Share         |                 |  |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191            | 152                  | 171           | 2,524       |                     |                     |                  |                     |                       |                   |                         | Disturbed Area          | Square Feet               | Acres           |  |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558            | 327                  | 367           | 5,422       | Production SF       |                     |                  |                     |                       |                   |                         | Canopy                  | 35,080,500                | 805.3           |  |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021            | 4,249                | 5,529         | 15,190      |                     |                     |                  |                     |                       |                   |                         | 100%                    |                           |                 |  |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786           | 6,025                | 6,812         | 32,629      | Indoor 500 SF       |                     |                  | 3,076,500           |                       | 3.73%             | Accessory Space         | 32,923,049              | 755.8                     |                 |  |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 30.00%          | 30.00%           | 29.99%               | 30.01%        | 30.00%      | Indoor              |                     |                  | 34,055,000          |                       | 41.26%            | 93.85%                  |                         |                           |                 |  |  |  |
|                                                                           |                 |                  |                      |               |             | Total Indoor        |                     |                  | 37,131,500          |                       |                   | Other Site Work         | 7,016,100               | 161.1                     |                 |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 2,051           | 2,468            | 1,709                | 1,934         | 8,162       |                     |                     |                  |                     |                       |                   |                         | 20%                     |                           |                 |  |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 149%            | 135%             | 42%                  | 36%           | 64%         | Mixed-light 1       |                     |                  | -                   |                       | 0.00%             | Subtotal                | 75,019,649              | 1,722.2                   |                 |  |  |  |
|                                                                           | 73%             | 65%              | 4%                   | 3%            | 20%         | Mixed-light 2       |                     |                  | 34,055,000          |                       | 41.26%            | 213.85%                 |                         |                           |                 |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | -               | -                | -                    | -             | -           | Outdoor             |                     |                  | 11,351,667          |                       | 13.75%            | Solar Panels            | 30,972,430              | 711.0                     |                 |  |  |  |
|                                                                           | 0%              | 0%               | 0%                   | 0%            | 0%          |                     |                     |                  |                     |                       |                   |                         | 88.29%                  | Disturbed SF              | Disturbed Acres |  |  |  |
| Total Permits Issued All zones                                            | 2,051           | 2,468            | 1,709                | 1,934         | 8,162       | Total Production SF |                     |                  | 82,538,167          |                       | 100.00%           | 302.14%                 | 105,992,079             | 2,433.2                   |                 |  |  |  |

| 30% Project Alternative                |             |                      |                           |             |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
|----------------------------------------|-------------|----------------------|---------------------------|-------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|-------------|----------------------|---------------------------|--------------------------------------|
| February 16, 2019 by: Plan-aire.com    |             |                      |                           |             |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
| Cannabis Production Area               |             |                      |                           |             |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
| AG, AE and FR zones                    |             | 2 Acres to 5 Acres   |                           |             | 5 Acres to 10 Acres    |                           |                                                 | 10 Acres to 20 Acres |                           |             | Over 20 Acres        |                           |                                      |
|                                        | % of Canopy | Grow Cycles per Year | Annual S.F. of Production | % of Canopy | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy | Grow Cycles per Year | Annual S.F. of Production | Total Square Feet of Canopy Annually |
| Maximum Canopy Size - Square Feet      | 500         |                      |                           | 2,500       |                        |                           | 5,000                                           |                      |                           | 10,000      |                      |                           |                                      |
| 500 Square Feet Indoors                | 100%        |                      |                           |             |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
| Parcels                                | 2,051       | 3                    | 3,076,500                 |             |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
| Total Square Feet of Canopy - Annually |             |                      | 3,076,500                 |             |                        |                           |                                                 |                      |                           |             |                      |                           | 3,076,500                            |
| 2,500 Square Feet                      |             |                      |                           |             |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
| Parcels                                |             |                      |                           | 2,468       |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
| Indoors                                |             |                      |                           | 33.33%      | 3                      | 6,170,000                 |                                                 |                      |                           |             |                      |                           |                                      |
| Mixed Light 1                          |             |                      |                           |             |                        | 0                         |                                                 |                      |                           |             |                      |                           |                                      |
| Mixed Light 2                          |             |                      |                           | 33.33%      | 3                      | 6,170,000                 |                                                 |                      |                           |             |                      |                           |                                      |
| Outdoors                               |             |                      |                           | 33.33%      | 1                      | 2,056,667                 |                                                 |                      |                           |             |                      |                           |                                      |
| Total Square Feet of Canopy - Annually |             |                      |                           | 100.00%     |                        | 14,396,667                |                                                 |                      |                           |             |                      |                           | 14,396,667                           |
| 5,000 Square Feet                      |             |                      |                           |             |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
| Parcels                                |             |                      |                           |             |                        |                           | 1,709                                           |                      |                           |             |                      |                           |                                      |
| Indoors                                |             |                      |                           | 33.33%      | 3                      | 8,545,000                 |                                                 |                      |                           |             |                      |                           |                                      |
| Mixed Light 1                          |             |                      |                           |             |                        | -                         |                                                 |                      |                           |             |                      |                           |                                      |
| Mixed Light 2                          |             |                      |                           | 33.33%      | 3                      | 8,545,000                 |                                                 |                      |                           |             |                      |                           |                                      |
| Outdoors                               |             |                      |                           | 33.33%      | 1                      | 2,848,333                 |                                                 |                      |                           |             |                      |                           |                                      |
| Total Square Feet of Canopy - Annually |             |                      |                           | 100.00%     |                        | 19,938,333                |                                                 |                      |                           |             |                      |                           | 19,938,333                           |
| 10,000 Square Feet                     |             |                      |                           |             |                        |                           |                                                 |                      |                           |             |                      |                           |                                      |
| Parcels                                |             |                      |                           |             |                        |                           |                                                 |                      |                           | 1,934       |                      |                           |                                      |
| Indoors                                |             |                      |                           | 33.33%      | 3                      | 19,340,000                |                                                 |                      |                           |             |                      |                           |                                      |
| Mixed Light 1                          |             |                      |                           |             |                        | -                         |                                                 |                      |                           |             |                      |                           |                                      |
| Mixed Light 2                          |             |                      |                           | 33.33%      | 3                      | 19,340,000                |                                                 |                      |                           |             |                      |                           |                                      |
| Outdoors                               |             |                      |                           | 33.33%      | 1                      | 6,446,667                 |                                                 |                      |                           |             |                      |                           |                                      |
| Total Square Feet of Canopy - Annually |             |                      |                           | 100.00%     |                        | 45,126,667                |                                                 |                      |                           |             |                      |                           | 45,126,667                           |
| Gross Production Before Adjustments    |             | 8,697,997            | % of 2060 Market Share    | 237.5%      | % of 2040 Market Share | 259.7%                    | % of 2016 Production Level                      | 334.4%               |                           |             |                      |                           |                                      |
| Adjustment for Effectiveness           | -40.68%     | 5,159,652            | Net Potential Crop        |             | Total Parcels          | 8,162                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |             |                      |                           | 82,538,167                           |
| Loss Before Trimming                   | -12.50%     | 4,514,695            | Net Production            |             | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      |                           |             |                      |                           | 3,945,324,367                        |
| Adjustment for Lab Testing             | -12.50%     | 3,950,358            | Total Saleable Pounds     |             | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      |                           |             |                      |                           | 8,697,997                            |

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| 30% Project Alternative                                                                                 |                              |                                 | Page 2 of 2                                          |                                      | February 16, 2019 by: Plan-aire.com |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|------------------------------------------------------|--------------------------------------|-------------------------------------|-----------------------|------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|-------------------------------|---------------------------------|--------------------------------------------|--|--|--|--|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                 |                                                      |                                      |                                     |                       | Cultivation Average Total Employees Per Parcel | Cultivation Only Number of Full Time Employees | Cultivation Number of Full Time Employees Per Permit            | Trimming Only Number of Full Time Employees                        | Trimming Number of Full Time Employees Per Permit | Total Project                 |                                 | Average Full Time Employees By Parcel Size |  |  |  |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor 1/2 Year Only |                                                |                                                |                                                                 |                                                                    |                                                   | Number of Full Time Employees |                                 | Size                                       |  |  |  |  |
| 2-5 acres                                                                                               | 500                          | 2,051                           | 0.5                                                  |                                      | 0                                   | 0                     | 0.5                                            | 1,026                                          |                                                                 | 505                                                                |                                                   | 1,530                         |                                 | 0.75                                       |  |  |  |  |
|                                                                                                         |                              | 2,051                           |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| 5-10 acres                                                                                              | 2,500                        | 2,468                           | 1.5                                                  | 1.25                                 | 1.5                                 | 0.5                   | 1.19                                           | 2,879                                          |                                                                 | 2,362                                                              |                                                   | 5,242                         |                                 | 2.12                                       |  |  |  |  |
|                                                                                                         |                              | 2,468                           | 823                                                  | 0                                    | 823                                 | 823                   |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| 10-20 acres                                                                                             | 5,000                        | 1,709                           | 2                                                    | 1.75                                 | 2                                   | 0.75                  | 1.63                                           | 2,706                                          |                                                                 | 3,272                                                              |                                                   | 5,978                         |                                 | 3.50                                       |  |  |  |  |
|                                                                                                         |                              | 1,709                           | 570                                                  | 0                                    | 570                                 | 570                   |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| Over 20 acres                                                                                           | 10,000                       | 1,934                           | 3                                                    | 2.5                                  | 3                                   | 1.5                   | 2.50                                           | 4,835                                          |                                                                 | 7,405                                                              |                                                   | 12,240                        |                                 | 6.33                                       |  |  |  |  |
|                                                                                                         |                              | 1,934                           | 645                                                  | 0                                    | 645                                 | 645                   |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| Total Permits                                                                                           |                              | 8,162                           |                                                      |                                      | Total Cultivation Employees         |                       |                                                | 11,446                                         | 1.40                                                            | 13,544                                                             | 1.66                                              | 24,990                        |                                 | 3.06                                       |  |  |  |  |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Conversion                                           | Yield                                |                                     |                       |                                                | Trimming Hours Per Pound                       | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Project Water Use                                 |                               |                                 |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | 0.51905                                              | Indoor                               | Mixed-light Tier 1                  | Mixed-light Tier 2    | Outdoor                                        |                                                |                                                                 |                                                                    | Water Use Gallons Per Permitted Site 6 Gal./Plant | Number of Permits Issued      | Total Project Gallons Per Year  | Total Project Acre Feet Per Year           |  |  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 | 2,000                                                              |                                                   |                               |                                 | 325,851.43                                 |  |  |  |  |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 2,051                           | 168,279                                              | -                                    | -                                   | -                     | 168,279                                        | 6                                              | 0.25                                                            | 505                                                                | 5,400                                             | 2,051                         | 11,075,400                      | 33.99                                      |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 3,076,500                                            |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | 0.25                                                 | -                                    | -                                   | -                     | -                                              |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 2,468                           | 337,488                                              | -                                    | 337,488                             | 112,496               | 787,473                                        | 6                                              | 0.96                                                            | 2,362                                                              | 27,000                                            | 2,468                         | 66,636,000                      | 204.50                                     |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 6,170,000                                            | 0                                    | 6,170,000                           | 2,056,667             |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | 0.41                                                 | -                                    | 0.41                                | 0.14                  |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 1,709                           | 467,397                                              | -                                    | 467,397                             | 155,799               | 1,090,592                                      | 6                                              | 1.91                                                            | 3,272                                                              | 54,000                                            | 1,709                         | 92,286,000                      | 283.21                                     |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 8,545,000                                            | 0                                    | 8,545,000                           | 2,848,333             |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | 0.82                                                 | -                                    | 0.82                                | 0.27                  |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 1,934                           | 1,057,865                                            | -                                    | 1,057,865                           | 352,622               | 2,468,351                                      | 6                                              | 3.83                                                            | 7,405                                                              | 108,000                                           | 1,934                         | 208,872,000                     | 641.00                                     |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 19,340,000                                           | -                                    | 19,340,000                          | 6,446,667             |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | 1.64                                                 | -                                    | 1.64                                | 0.55                  |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| Total Permits                                                                                           |                              | 8,162                           |                                                      | Total Net Production Before Trimming |                                     |                       | 4,514,695                                      | Trimming Employees Only                        |                                                                 | 13,544                                                             | Total Water Gallons                               |                               | 378,869,400                     | 1,162.71                                   |  |  |  |  |
| Electric Use for Project                                                                                |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 | Electric Use Accessory Buildings                                   |                                                   |                               |                                 | Electric Use Notes:                        |  |  |  |  |
| Cultivation Area Square Feet                                                                            |                              |                                 | Electric Use kWh per S.F. per Year- Cultivation Only |                                      |                                     |                       |                                                | Indoor                                         | Mixed-light Tier 1                                              | Mixed-light Tier 2                                                 | Outdoor                                           | Total kW Hours                | Lighting HVAC                   |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor               | Total kW Hours                                 |                                                |                                                                 |                                                                    |                                                   |                               | Indoor: kWh Hours per SF        |                                            |  |  |  |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 2,051                           | 135                                                  |                                      |                                     |                       |                                                | 3.82                                           | Note: Accessory Structures: 93.85% of Canopy                    |                                                                    |                                                   |                               | 100                             | 35                                         |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 1,025,500                                            |                                      |                                     |                       |                                                | 1,025,500                                      | Processing Area: 9.6%, Warehouse: 22.4%                         |                                                                    |                                                   |                               | Mixed-light 1: kWh per SF       |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | 138,442,500                                          |                                      |                                     |                       | 138,442,500                                    | 3,913,718                                      | Ag. Build: 36.85%, Immature Plants: 25%                         |                                                                    |                                                   | 3,913,718                     | 7.7                             | 15                                         |  |  |  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 2,468                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               |                                                   |                               | Mixed-light 2: kWh per SF       |                                            |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 2,056,667                                            | -                                    | 2,056,667                           | 2,056,667             |                                                | 2,056,667                                      | -                                                               | 2,056,667                                                          | 2,056,667                                         |                               | 32                              | 30                                         |  |  |  |  |
|                                                                                                         |                              |                                 | 277,650,000                                          | -                                    | 127,513,333                         | 5,141,667             | 410,305,000                                    | 7,849,063                                      | -                                                               | 7,849,063                                                          | 7,849,063                                         | 23,547,188                    | Outdoor: kWh per SF             |                                            |  |  |  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,709                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               |                                                   |                               | 0.5                             | 2                                          |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 2,848,333                                            | -                                    | 2,848,333                           | 2,848,333             |                                                | 2,848,333                                      | -                                                               | 2,848,333                                                          | 2,848,333                                         |                               | Accessory Buildings % of Canopy |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | 384,525,000                                          | -                                    | 176,596,667                         | 7,120,833             | 568,242,500                                    | 10,870,379                                     | -                                                               | 10,870,379                                                         | 10,870,379                                        | 32,611,138                    | Processing 11.8 kWh/SF at 9.6%  |                                            |  |  |  |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,934                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               |                                                   |                               | Warehouse 6.4 kWh/SF at 22.4%   |                                            |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 6,446,667                                            | -                                    | 6,446,667                           | 6,446,667             |                                                | 6,446,667                                      | -                                                               | 6,446,667                                                          | 6,446,667                                         |                               | Total Project Electric Use      |                                            |  |  |  |  |
|                                                                                                         |                              |                                 | 870,300,000                                          | -                                    | 399,693,333                         | 16,116,667            | 1,286,110,000                                  | 24,603,059                                     | -                                                               | 24,603,059                                                         |                                                   | 73,809,176                    | 2,536,981 kWh Hours             |                                            |  |  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | kW Hours 2,403,100,000                         |                                                |                                                                 |                                                                    |                                                   |                               | 2,536,981 Megawatts             |                                            |  |  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | Megawatts 2,403,100                            |                                                |                                                                 |                                                                    |                                                   |                               | 2,537 Gigawatts                 |                                            |  |  |  |  |
| Solar Panels - Renewable Energy                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 | Solar Calculations                                                 |                                                   |                               |                                 |                                            |  |  |  |  |
| 40% of Total Project Use                                                                                |                              |                                 | Use of 350 Watt Solar Panels                         |                                      |                                     |                       | Includes Cultivation & Accessory SF            | kWh per SF                                     | % Supplied by Solar Energy                                      |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor               |                                                |                                                | One 350W Solar Panel                                            | kWh Year                                                           | S.F. / Panel                                      |                               |                                 |                                            |  |  |  |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 2,051                           | 1,025,500                                            |                                      |                                     |                       |                                                |                                                | 574.72                                                          | 17.541                                                             | 50%                                               | 45%                           | 40%                             |                                            |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 99,079                                               |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 2,468                           | 2,056,667                                            | -                                    | 2,056,667                           | 2,056,667             |                                                |                                                | 0.24                                                            | 0.121                                                              | 0.109                                             | 0.097                         |                                 |                                            |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 198,705                                              | -                                    | 94,211                              | 9,041                 | 301,957                                        |                                                | 0.05                                                            | 0.023                                                              | 0.021                                             | 0.018                         |                                 |                                            |  |  |  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,709                           | 2,848,333                                            | -                                    | 2,848,333                           | 2,848,333             |                                                |                                                | 0.11                                                            | 0.057                                                              | 0.052                                             | 0.046                         |                                 |                                            |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 275,192                                              | -                                    | 130,475                             | 12,522                | 418,189                                        |                                                | 0.01                                                            | 0.005                                                              | 0.005                                             | 0.004                         |                                 |                                            |  |  |  |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,934                           | 6,446,667                                            | -                                    | 6,446,667                           | 6,446,667             |                                                |                                                | 0.01                                                            | 0.004                                                              | 0.004                                             | 0.003                         |                                 |                                            |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 622,845                                              | -                                    | 295,307                             | 28,341                | 946,492                                        |                                                |                                                                 |                                                                    |                                                   |                               |                                 |                                            |  |  |  |  |
| Total Canopy                                                                                            | 35,080,500                   |                                 | Total Solar Panels @ 40%                             |                                      |                                     |                       | 1,765,716                                      | Total Solar Panel Area @ 40%                   |                                                                 | 711                                                                | Acres of Solar Panels                             |                               |                                 |                                            |  |  |  |  |

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| Alternative 1A (33% Indoor, Mixed & Outdoor)                              |                 |                  |                      |               |         | Page 1 of 2         |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|---------------------------------------------------------------------------|-----------------|------------------|----------------------|---------------|---------|---------------------|---------------------|------------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|-----------------|--|--|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 | Land Information |                      |               |         |                     | Canopy Information  |                  |                     |                       |                   | 43,560                  |                         | AE, AG & FR               | RA-Rural        |  |  |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres  | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |                 |  |  |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF         | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 523                 | 1,422            | 1,945               |                       |                   | (326)                   | 704                     | Total Employees           |                 |  |  |  |  |
| Permit Allocation                                                         | 28%             | 35%              | 17%                  | 20%           | 100%    | 500 SF              | (449,984)           | 711241.8537      | 261,258             | 6.0                   | 1.19%             |                         |                         | 19,782                    |                 |  |  |  |  |
| Total Cultivation Permits                                                 | 1,945           | 2,437            | 1,206                | 1,412         | 7,000   | 5 to 10 acres       | 851                 | 1,586            | 2,437               |                       |                   | (1,004)                 | 3,329                   | Electric Use MWh          |                 |  |  |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830            | 4,097                | 5,358         | 12,666  | 2,500 SF            | (1,837,738)         | 3965118.852      | 2,127,381           | 48.8                  | 9.73%             |                         |                         | 1,980,277                 |                 |  |  |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%            | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 1,161               | 45               | 1,206               |                       |                   | 1,363                   | 1,472                   | Solar Panels/40%          |                 |  |  |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%           | 32.35%               | 42.30%        | 100%    | 5,000 SF            | 5,582,570           | 223714.9134      | 5,806,285           | 133.3                 | 26.56%            |                         |                         | 1,378,255                 |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         | Over 20 acres       | 1,367               | 45               | 1,412               |                       |                   | 2,467                   | 2,635                   | Water - Acre Feet         |                 |  |  |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228            | 5,698                | 6,445         | 27,207  | 10,000 SF           | 13,218,723          | 450638.2979      | 13,669,362          | 314                   | 62.52%            |                         |                         | 902.01                    |                 |  |  |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%           | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 16,513,572          | 5,350,714        | 21,864,286          | 501.9                 | 100.00%           | 1,304                   | 2,120                   | 2060 Market Share         |                 |  |  |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191            | 152                  | 171           | 2,524   |                     |                     |                  |                     |                       |                   |                         | Disturbed Area          | Square Feet               | Acres           |  |  |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558            | 327                  | 367           | 5,422   | Production SF       |                     |                  |                     |                       |                   |                         | Canopy                  | 27,215,000                | 624.8           |  |  |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021            | 4,249                | 5,529         | 15,190  |                     |                     |                  |                     |                       |                   |                         | 100%                    |                           |                 |  |  |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786           | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                  | 2,917,500           |                       | 4.55%             | Accessory Space         | 25,541,278              | 586.3                     |                 |  |  |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 7.64%           | 10.34%           | 20.38%               | 21.21%        | 14.34%  | Indoor              |                     |                  | 26,242,500          |                       | 40.91%            | 93.85%                  |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         | Total Indoor        |                     |                  | 29,160,000          |                       |                   | Other Site Work         | 5,443,000               | 125.0                     |                 |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 523             | 851              | 1,161                | 1,367         | 3,902   |                     |                     |                  |                     |                       |                   |                         | 20%                     |                           |                 |  |  |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 73%             | 65%              | 4%                   | 3%            | 20%     | Mixed-light 1       |                     |                  | -                   |                       | 0.00%             | Subtotal                | 58,199,278              | 1,336.1                   |                 |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 1,422           | 1,586            | 45                   | 45            | 3,098   | Mixed-light 2       |                     |                  | 26,242,500          |                       | 40.91%            | 213.85%                 |                         |                           |                 |  |  |  |  |
|                                                                           | 0%              | 0%               | 0%                   | 0%            | 0%      | Outdoor             |                     |                  | 8,747,500           |                       | 13.64%            | Solar Panels            | 24,175,975              | 555.0                     |                 |  |  |  |  |
| Total Permits Issued All zones                                            | 1,945           | 2,437            | 1,206                | 1,412         | 7,000   | Total Production SF |                     |                  |                     |                       |                   |                         | 88.83%                  | Disturbed SF              | Disturbed Acres |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         | 302.68%                 | 82,375,252                | 1,891.1         |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
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|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
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|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
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|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
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|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
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|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         | </                        |                 |  |  |  |  |

| Alternative 1A (33% Indoor, Mixed & Outdoor) |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
|----------------------------------------------|--|--------------------|----------------------|---------------------------|---------------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com          |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Cannabis Production Area                     |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
| AG, AE and FR zones                          |  | 2 Acres to 5 Acres |                      |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres                            |                      |                           | Over 20 Acres |                      |                           |                                      |                                     |
|                                              |  | % of Canopy        | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet            |  | 500                |                      |                           | 2,500               |                        |                           | 5,000                                           |                      |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                      |  | 100%               |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  | 1,945              | 3                    | 2,917,500                 |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      | 2,917,500                 |                     |                        |                           |                                                 |                      |                           |               |                      |                           | 2,917,500                            | 307,451                             |
| 2,500 Square Feet                            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           | 2,437               |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 33.33%              | 3                      | 6,092,500                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           |                     |                        | 0                         |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 33.33%              | 3                      | 6,092,500                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 33.33%              | 1                      | 2,030,833.33              |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 14,215,833                |                                                 |                      |                           |               |                      |                           | 14,215,833                           | 1,498,086                           |
| 5,000 Square Feet                            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           |                     |                        |                           | 1,206                                           |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 33.33%              | 3                      | 6,030,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 33.33%              | 3                      | 6,030,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 33.33%              | 1                      | 2,010,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 14,070,000                |                                                 |                      |                           |               |                      |                           | 14,070,000                           | 1,482,718                           |
| 10,000 Square Feet                           |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           | 1,412         |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 33.33%              | 3                      | 14,120,000                |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 33.33%              | 3                      | 14,120,000                |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 33.33%              | 1                      | 4,706,667                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 32,946,667                |                                                 |                      |                           |               |                      |                           | 32,946,667                           | 3,471,970                           |
| Gross Production Before Adjustments          |  |                    | 6,760,224            | % of 2060 Market Share    | 184.6%              | % of 2040 Market Share | 201.9%                    | % of 2016 Production Level                      | 259.9%               |                           |               |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                 |  | -40.68%            | 4,010,165            | Net Potential Crop        |                     | Total Parcels          | 7,000                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |               |                      |                           | 64,150,000                           | 6,760,224                           |
| Loss Before Trimming                         |  | -12.50%            | 3,508,894            | Net Production            |                     | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      |                           |               |                      |                           | 3,066,370,000                        |                                     |
| Adjustment for Lab Testing                   |  | -12.50%            | 3,070,282            | Total Saleable Pounds     |                     | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      |                           |               |                      |                           | 6,760,224                            |                                     |

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| Alternative 1A (33% Indoor, Mixed & Outdoor)                                                            |  |                          | Page 2 of 2       |                                                      | February 16, 2019 by: Plan-aire.com |             |               |                             |                                     |                                              |                                         |                                |                                   |                                 |                           |    |
|---------------------------------------------------------------------------------------------------------|--|--------------------------|-------------------|------------------------------------------------------|-------------------------------------|-------------|---------------|-----------------------------|-------------------------------------|----------------------------------------------|-----------------------------------------|--------------------------------|-----------------------------------|---------------------------------|---------------------------|----|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |  |                          |                   |                                                      |                                     |             |               | Cultivation                 | Cultivation                         | Cultivation                                  | Trimming                                | Trimming                       |                                   | Total Project                   | Average                   |    |
| * Updated Feb. 17, 2018                                                                                 |  | Cultivation Area         | Total Project     | Indoor                                               | Mixed-light                         | Mixed-light | Outdoor       | Average Total               | Only                                | Number of                                    | Number of                               | Number of                      |                                   | Number of                       | Full Time                 |    |
| Parcel Size                                                                                             |  | Square Feet              | Number of Permits |                                                      | Tier 1                              | Tier 2      | 1/2 Year Only | Employees Per Parcel        | Number of Full Time Employees       | Full Time Employees Per Permit               | Full Time Employees Per Permit          | Full Time Employees Per Permit |                                   | Full Time Employees             | Employees By Parcel Size  |    |
| 2-5 acres                                                                                               |  | 500                      | 1,945             | 0.5                                                  |                                     | 0           | 0             | 0.5                         | 973                                 |                                              | 479                                     |                                |                                   | 1,451                           | 0.75                      |    |
|                                                                                                         |  |                          |                   | 1945                                                 |                                     |             |               |                             |                                     |                                              |                                         |                                |                                   |                                 |                           |    |
| 5-10 acres                                                                                              |  | 2,500                    | 2,437             | 1.5                                                  | 1.25                                | 1.5         | 0.5           | 1.19                        | 2,843                               |                                              | 2,333                                   |                                |                                   | 5,176                           | 2.12                      |    |
|                                                                                                         |  |                          | 2,437             | 812                                                  | 0                                   | 812         | 812           |                             |                                     |                                              |                                         |                                |                                   |                                 |                           |    |
| 10-20 acres                                                                                             |  | 5,000                    | 1,206             | 2                                                    | 1.75                                | 2           | 0.75          | 1.63                        | 1,910                               |                                              | 2,309                                   |                                |                                   | 4,218                           | 3.50                      |    |
|                                                                                                         |  |                          | 1,206             | 402                                                  | 0                                   | 402         | 402           |                             |                                     |                                              |                                         |                                |                                   |                                 |                           |    |
| Over 20 acres                                                                                           |  | 10,000                   | 1,412             | 3                                                    | 2.5                                 | 3           | 1.5           | 2.50                        | 3,530                               |                                              | 5,406                                   |                                |                                   | 8,936                           | 6.33                      |    |
|                                                                                                         |  |                          | 1,412             | 471                                                  | 0                                   | 471         | 471           |                             |                                     |                                              |                                         |                                |                                   |                                 |                           |    |
| Total Permits                                                                                           |  |                          | 7,000             |                                                      |                                     |             |               | Total Cultivation Employees | 9,255                               | 1.32                                         | 10,527                                  | 1.50                           |                                   | 19,782                          | 2.83                      |    |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |  |                          |                   |                                                      |                                     |             |               |                             |                                     |                                              |                                         |                                |                                   |                                 |                           |    |
|                                                                                                         |  |                          |                   | Conversion                                           | Yield                               |             |               |                             |                                     | Per Parcel                                   | Total Project                           | Project Water Use              |                                   |                                 |                           |    |
|                                                                                                         |  |                          |                   | 0.51905                                              |                                     |             |               |                             |                                     | Full Time                                    | Full Time                               | Water Use                      |                                   | Total Project                   | Total Project             |    |
| Parcel Size                                                                                             |  | Cultivation Area         | Total Project     | Indoor                                               | Mixed-light                         | Mixed-light | Outdoor       | Total                       | Trimming                            | Equivalent                                   | Equivalent                              | Gallons Per                    |                                   | Gallons                         | Acres                     |    |
|                                                                                                         |  | Square Feet              | Number of Permits |                                                      | Tier 1                              | Tier 2      |               |                             | Hours                               | Employees                                    | Employees                               | Site                           | Number of                         | Per Year                        | Per Year                  |    |
|                                                                                                         |  |                          |                   |                                                      |                                     |             |               |                             | Per Pound                           | Required for                                 | Required for                            | 6 Gal./Plant                   | Permits                           |                                 | 325,851.43                |    |
|                                                                                                         |  |                          |                   |                                                      |                                     |             |               |                             |                                     |                                              |                                         |                                | Issued                            |                                 |                           |    |
| 2-5 acres - Pounds of Net Production                                                                    |  | 500                      | 1,945             | 159,582                                              | -                                   | -           | -             | 159,582                     | 6                                   | 0.25                                         | 479                                     | 5,400                          | 1,945                             | 10,503,000                      | 32.23                     |    |
| Square Feet of Production                                                                               |  |                          |                   | 2,917,500                                            |                                     |             |               |                             |                                     |                                              |                                         |                                |                                   | -                               |                           |    |
|                                                                                                         |  |                          |                   | 0.25                                                 | -                                   | -           | -             |                             |                                     |                                              |                                         |                                |                                   | -                               |                           |    |
| 5-10 acres - Pounds of Net Production                                                                   |  | 2,500                    | 2,437             | 333,249                                              | -                                   | 333,249     | 111,083       | 777,582                     | 6                                   | 0.96                                         | 2,333                                   | 27,000                         | 2,437                             | 65,799,000                      | 201.93                    |    |
| Square Feet of Production                                                                               |  |                          |                   | 6,092,500                                            | 0                                   | 6,092,500   | 2,030,833     |                             |                                     |                                              |                                         |                                |                                   | -                               |                           |    |
|                                                                                                         |  |                          |                   | 0.41                                                 | -                                   | 0.41        | 0.14          |                             |                                     |                                              |                                         |                                |                                   | -                               |                           |    |
| 10-20 acres - Pounds of Net Production                                                                  |  | 5,000                    | 1,206             | 329,831                                              | -                                   | 329,831     | 109,944       | 769,605                     | 6                                   | 1.91                                         | 2,309                                   | 54,000                         | 1,206                             | 65,124,000                      | 199.86                    |    |
| Square Feet of Production                                                                               |  |                          |                   | 6,030,000                                            | 0                                   | 6,030,000   | 2,010,000     |                             |                                     |                                              |                                         |                                |                                   | -                               |                           |    |
|                                                                                                         |  |                          |                   | 0.82                                                 | -                                   | 0.82        | 0.27          |                             |                                     |                                              |                                         |                                |                                   | -                               |                           |    |
| Over 20 acres - Pounds of Net Production                                                                |  | 10,000                   | 1,412             | 772,340                                              | -                                   | 772,340     | 257,447       | 1,802,126                   | 6                                   | 3.83                                         | 5,406                                   | 108,000                        | 1,412                             | 152,496,000                     | 467.99                    |    |
| Square Feet of Production                                                                               |  |                          |                   | 14,120,000                                           | -                                   | 14,120,000  | 4,706,667     |                             |                                     |                                              |                                         |                                |                                   | -                               |                           |    |
|                                                                                                         |  |                          |                   | 1.64                                                 | -                                   | 1.64        | 0.55          |                             | See Table Above for Total Employees |                                              |                                         | Total Water Gallons            |                                   | 293,922,000                     |                           |    |
| Total Permits                                                                                           |  |                          | 7,000             |                                                      |                                     |             |               | 3,508,894                   | Trimming Employees Only             | 10,527                                       |                                         |                                |                                   | Total Acre Feet                 | 902.01                    |    |
| Electric Use for Project                                                                                |  | Cultivation Area         |                   | Electric Use kWh per S.F. per Year- Cultivation Only |                                     |             |               |                             | Electric Use Accessory Buildings    |                                              |                                         |                                | Electric Use Notes:               |                                 |                           |    |
|                                                                                                         |  | Square Feet              |                   | Indoor                                               | Mixed-light                         | Mixed-light | Outdoor       | Total                       | Indoor                              | Mixed-light                                  | Mixed-light                             | Outdoor                        | Total                             | Lighting                        | HVAC                      |    |
|                                                                                                         |  |                          |                   |                                                      | Tier 1                              | Tier 2      |               | kW Hours                    |                                     | Tier 1                                       | Tier 2                                  |                                | kW Hours                          | Indoor: kW Hours per SF         |                           |    |
| 2-5 acres - Electric Use per Permit                                                                     |  | 500                      | 1,945             | 135                                                  |                                     |             |               |                             | 3.82                                | Note: Accessory Structures: 93.85% of Canopy |                                         |                                |                                   |                                 | 100                       | 35 |
| Square Feet of Production                                                                               |  |                          |                   | 972,500                                              |                                     |             |               | 972,500                     | 972,500                             | Processing Area: 9.6%, Warehouse: 22.4%      |                                         |                                |                                   |                                 | Mixed-light 1: kWh per SF |    |
|                                                                                                         |  |                          |                   | 131,287,500                                          |                                     |             |               | 131,287,500                 | 3,711,449                           | Ag. Build: 36.85%, Immature Plants: 25%      |                                         |                                |                                   | 3,711,449                       | 7.7                       | 15 |
| 5-10 acres - Electric Use per Permit                                                                    |  | 2,500                    | 2,437             | 135                                                  | 22.7                                | 62          | 2.5           |                             | 3.82                                | 3.82                                         | 3.82                                    |                                |                                   | Mixed-light 2: kWh per SF       |                           |    |
| Square Feet of Production                                                                               |  |                          |                   | 2,030,833                                            | -                                   | 2,030,833   | 2,030,833     | 2,030,833                   | 2,030,833                           | -                                            | 2,030,833                               | 2,030,833                      |                                   | 32                              | 30                        |    |
|                                                                                                         |  |                          |                   | 274,162,500                                          | -                                   | 125,911,667 | 5,077,083     | 405,151,250                 | 7,750,472                           | -                                            | 7,750,472                               | 7,750,472                      | 23,251,417                        | Outdoor: kWh per SF             |                           |    |
| 10-20 acres - Electric Use per Permit                                                                   |  | 5,000                    | 1,206             | 135                                                  | 22.7                                | 62          | 2.5           |                             | 3.82                                | 3.82                                         | 3.82                                    | 3.82                           |                                   | 0.5                             | 2                         |    |
| Square Feet of Production                                                                               |  |                          |                   | 2,010,000                                            | -                                   | 2,010,000   | 2,010,000     | 2,010,000                   | 2,010,000                           | -                                            | 2,010,000                               | 2,010,000                      |                                   | Accessory Buildings % of Canopy |                           |    |
|                                                                                                         |  |                          |                   | 271,350,000                                          | -                                   | 124,620,000 | 5,025,000     | 400,995,000                 | 7,670,964                           | -                                            | 7,670,964                               | 7,670,964                      | 23,012,892                        | Processing 11.8 kWh/SF at 9.6%  |                           |    |
| Over 20 acres - Electric Use per Permit                                                                 |  | 10,000                   | 1,412             | 135                                                  | 22.7                                | 62          | 2.5           |                             | 3.82                                | 3.82                                         | 3.82                                    | 3.82                           |                                   | Warehouse 6.4 kWh/SF at 22.4%   |                           |    |
| Square Feet of Production                                                                               |  |                          |                   | 4,706,667                                            | -                                   | 4,706,667   | 4,706,667     | 4,706,667                   | 4,706,667                           | -                                            | 4,706,667                               | 4,706,667                      |                                   | Total Project Electric Use      |                           |    |
|                                                                                                         |  |                          |                   | 635,400,000                                          | -                                   | 291,813,333 | 11,766,667    | 938,980,000                 | 17,962,523                          | -                                            | 17,962,523                              | 17,962,523                     | 53,887,568                        | 1,980,277,076                   | kW Hours                  |    |
|                                                                                                         |  |                          |                   |                                                      |                                     |             | kW Hours      | 1,876,413,750               |                                     |                                              |                                         |                                | 103,863,326                       | 1,980,277                       | Megawatts                 |    |
|                                                                                                         |  |                          |                   |                                                      | Megawatts                           | 1,876,414   | Gigawatts     | 1,876                       |                                     | Megawatts                                    | 103,863                                 | Gigawatts                      | 104                               | 1,980                           | Gigawatts                 |    |
| Solar Panels - Renewable Energy                                                                         |  | 40% of Total Project Use |                   | Use of 350 Watt Solar Panels                         |                                     |             |               |                             | Includes                            |                                              | Solar Calculations                      |                                |                                   |                                 |                           |    |
| Includes Cultivation Canopy & Accessory Buildings                                                       |  |                          |                   | Indoor                                               | Mixed-light                         | Mixed-light | Outdoor       | Total                       | Cultivation &                       |                                              | One 350W Solar Panel                    |                                |                                   |                                 |                           |    |
|                                                                                                         |  |                          |                   |                                                      | Tier 1                              | Tier 2      |               | Solar Panels                | Accessory SF                        | kWh per SF                                   | kWh Year                                | S.F. / Panel                   | % Supplied by Solar Energy        |                                 |                           |    |
| 2-5 acres - Electric Use per Permit                                                                     |  | 500                      | 1,945             | 972,500                                              |                                     |             |               |                             |                                     |                                              | 574.72                                  | 17.541                         | 50%                               | 45%                             | 40%                       |    |
| Number of 350 Watt Solar Panels Required                                                                |  |                          |                   | 93,958                                               |                                     |             |               | 93,958                      | Indoor                              | 138.82                                       | 0.24                                    |                                | 0.121                             | 0.109                           | 0.097                     |    |
| 5-10 acres - Electric Use per Permit                                                                    |  | 2,500                    | 2,437             | 2,030,833                                            | -                                   | 2,030,833   | 2,030,833     |                             | Mixed-light 1                       | 26.52                                        | 0.05                                    |                                | 0.023                             | 0.021                           | 0.018                     |    |
| Number of 350 Watt Solar Panels Required                                                                |  |                          |                   | 196,209                                              | -                                   | 93,028      | 8,928         | 298,164                     | Mixed-light 2                       | 65.82                                        | 0.11                                    |                                | 0.057                             | 0.052                           | 0.046                     |    |
| 10-20 acres - Electric Use per Permit                                                                   |  | 5,000                    | 1,206             | 2,010,000                                            | -                                   | 2,010,000   | 2,010,000     |                             | Outdoor                             | 6.32                                         | 0.01                                    |                                | 0.005                             | 0.005                           | 0.004                     |    |
| Number of 350 Watt Solar Panels Required                                                                |  |                          |                   | 194,196                                              | -                                   | 92,073      | 8,836         | 295,106                     | Avg. House                          | 4.518                                        | 0.01                                    |                                | 0.004                             | 0.004                           | 0.003                     |    |
| Over 20 acres - Electric Use per Permit                                                                 |  | 10,000                   | 1,412             | 4,706,667                                            | -                                   | 4,706,667   | 4,706,667     |                             | 1,800 SF Nevada County 2016         |                                              | Avg. No. Panels for 1,800 SF House @40% |                                |                                   |                                 | 5.66                      |    |
| Number of 350 Watt Solar Panels Required                                                                |  |                          |                   | 454,734                                              | -                                   | 215,601     | 20,691        | 691,027                     | 43,560                              |                                              | 24,175,975                              |                                | Total Square Feet of Solar Panels |                                 |                           |    |
| Total Canopy                                                                                            |  | 27,215,000               |                   | Total Solar Panels @ 40%                             |                                     |             |               |                             | 1,378,255                           | Total Solar Panel Area @ 40%                 |                                         | 555                            |                                   | Acres of Solar Panels           |                           |    |

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| Alternative 1B (Reduce 500 SF Sites - 33% Mix)                            |                 |                 |                      |               |         | Page 1 of 2         |                     |                    |                       |                       |                   |                         |                         |                           |          |  |  |
|---------------------------------------------------------------------------|-----------------|-----------------|----------------------|---------------|---------|---------------------|---------------------|--------------------|-----------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|----------|--|--|
| February 16, 2019 by: Plan-aire.com                                       |                 |                 |                      |               |         | Land Information    |                     | Canopy Information |                       |                       |                   | 43,560                  |                         | AE, AG & FR               | RA-Rural |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels   | AE, AG, FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |          |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF        | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 282                 | 768                | 1,050                 |                       |                   | (176)                   | 380                     | Total Employees           |          |  |  |
| Permit Allocation                                                         | 15%             | 30%             | 25%                  | 30%           | 100%    | 500 SF              | (242,922)           | 383,960.8979       | 141,039               | 3.2                   | 0.46%             |                         |                         | 24,655                    |          |  |  |
| Total Cultivation Permits                                                 | 1,050           | 2,100           | 1,750                | 2,100         | 7,000   | 5 to 10 acres       | 733                 | 1,367              | 2,100                 |                       |                   | (865)                   | 2,869                   | Electric Use MWh          |          |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830           | 4,097                | 5,358         | 12,666  | 2,500 SF            | (1,583,607)         | 3416803.279        | 1,833,197             | 42.1                  | 5.97%             |                         |                         | 2,533,953                 |          |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%           | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 1,685               | 65                 | 1,750                 |                       |                   | 1,977                   | 2,136                   | Solar Panels/40%          |          |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%          | 32.35%               | 42.30%        | 100%    | Over 20 acres       | 8,100,744           | 324627.7764        | 8,425,372             | 193.4                 | 27.42%            |                         |                         | 1,763,608                 |          |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228           | 5,698                | 6,445         | 27,207  | 10,000 SF           | 2,033               | 67                 | 2,100                 |                       |                   | 3,669                   | 3,919                   | Water - Acre Feet         |          |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%          | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 19,659,574          | 670212.766         | 20,329,787            | 467                   | 66.16%            |                         |                         | 1,177.44                  |          |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191           | 152                  | 171           | 2,524   |                     |                     |                    |                       |                       |                   | 2,048                   | 1,900                   | 2060 Market Share         |          |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558           | 327                  | 367           | 5,422   | Production SF       | 25,933,791          | 4,795,605          | 30,729,395            | 705.4                 | 100.00%           |                         |                         | 239.5%                    |          |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021           | 4,249                | 5,529         | 15,190  |                     |                     |                    |                       |                       |                   |                         |                         |                           |          |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786          | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                    | 1,575,000             |                       | 1.89%             | Accessory Space         | 33,340,213              | 765.4                     |          |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 4.13%           | 8.91%           | 29.57%               | 31.54%        | 17.40%  | Indoor              |                     |                    | 35,000,000            |                       | 42.05%            | 93.85%                  |                         |                           |          |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 282             | 733             | 1,685                | 2,033         | 4,733   | Total Indoor        |                     |                    | 36,575,000            |                       |                   | Other Site Work         | 7,105,000               | 163.1                     |          |  |  |
| % of RA-Rural to AE, AG, & FR w Res.                                      | 76%             | 115%            | 43%                  | 39%           | 55%     | Mixed-light 1       |                     |                    | -                     |                       | 0.00%             | Subtotal                | 75,970,213              | 1,744.0                   |          |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 768             | 1,367           | 65                   | 67            | 2,267   | Mixed-light 2       |                     |                    | 35,000,000            |                       | 42.05%            | 213.85%                 |                         |                           |          |  |  |
| Total Permits Issued All zones                                            | 1,050           | 2,100           | 1,750                | 2,100         | 7,000   | Outdoor             |                     |                    | 11,666,667            |                       | 14.02%            | Solar Panels            | 30,935,456              | 710.2                     |          |  |  |
|                                                                           |                 |                 |                      |               |         | Total Production SF |                     |                    | 83,241,667            |                       | 100.00%           | 87.08%                  | Disturbed SF            | Disturbed Acres           |          |  |  |
|                                                                           |                 |                 |                      |               |         |                     |                     |                    |                       |                       |                   | 300.93%                 | 106,905,668             | 2,454.2                   |          |  |  |

| Alternative 1B (Reduce 500 SF Sites - 33% Mix) |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
|------------------------------------------------|--|--------------------|----------------------|---------------------------|---------------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| Cannabis Production Area                       |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| February 16, 2019 by: Plan-aire.com            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| AG, AE and FR zones                            |  | 2 Acres to 5 Acres |                      |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres                            |                      |                           | Over 20 Acres |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
|                                                |  | % of Canopy        | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet              |  | 500                |                      |                           | 2,500               |                        |                           | 5,000                                           |                      |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                        |  | 100%               |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                        |  | 1,050              | 3                    | 1,575,000                 |                     |                        |                           |                                                 |                      |                           |               |                      |                           | 1,575,000                            | 165,976                             |
| Total Square Feet of Canopy - Annually         |  |                    |                      | 1,575,000                 |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| 2,500 Square Feet                              |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                        |  |                    |                      |                           | 2,100               |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                        |  |                    |                      |                           | 33.33%              | 3                      | 5,250,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                  |  |                    |                      |                           |                     |                        | 0                         |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                  |  |                    |                      |                           | 33.33%              | 3                      | 5,250,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                       |  |                    |                      |                           | 33.33%              | 1                      | 1,750,000.00              |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually         |  |                    |                      |                           | 100.00%             |                        | 12,250,000                |                                                 |                      |                           |               |                      |                           | 12,250,000                           | 1,290,924                           |
| 5,000 Square Feet                              |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                        |  |                    |                      |                           |                     |                        | 1,750                     |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                        |  |                    |                      |                           | 33.33%              | 3                      | 8,750,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                  |  |                    |                      |                           |                     |                        | -                         |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                  |  |                    |                      |                           | 33.33%              | 3                      | 8,750,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                       |  |                    |                      |                           | 33.33%              | 1                      | 2,916,667                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually         |  |                    |                      |                           | 100.00%             |                        | 20,416,667                |                                                 |                      |                           |               |                      |                           | 20,416,667                           | 2,151,539                           |
| 10,000 Square Feet                             |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                        |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           | 2,100         |                      |                           |                                      |                                     |
| Indoors                                        |  |                    |                      |                           | 33.33%              | 3                      | 21,000,000                |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                  |  |                    |                      |                           |                     |                        | -                         |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                  |  |                    |                      |                           | 33.33%              | 3                      | 21,000,000                |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                       |  |                    |                      |                           | 33.33%              | 1                      | 7,000,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually         |  |                    |                      |                           | 100.00%             |                        | 49,000,000                |                                                 |                      |                           |               |                      |                           | 49,000,000                           | 5,163,694                           |
| Gross Production Before Adjustments            |  |                    | 8,772,133            | % of 2060 Market Share    | 239.5%              | % of 2040 Market Share | 261.9%                    | % of 2016 Production Level                      | 337.3%               |                           |               |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                   |  | -40.68%            | 5,203,629            | Net Potential Crop        |                     | Total Parcels          | 7,000                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |               |                      |                           | 83,241,667                           | 8,772,133                           |
| Loss Before Trimming                           |  | -12.50%            | 4,553,175            | Net Production            |                     | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      |                           |               |                      |                           | 3,978,951,667                        |                                     |
| Adjustment for Lab Testing                     |  | -12.50%            | 3,984,029            | Total Saleable Pounds     |                     | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      |                           |               |                      |                           | 8,772,133                            |                                     |

| Alternative 1B (Reduce 500 SF Sites - 33% Mix)                                                          |                  |                                 | Page 2 of 2                     |                                                      | February 16, 2019 by: Plan-aire.com  |             |               |                                     |                                                                 |                                                                    |                                          |                                |                                         |                                    |                           |    |
|---------------------------------------------------------------------------------------------------------|------------------|---------------------------------|---------------------------------|------------------------------------------------------|--------------------------------------|-------------|---------------|-------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|------------------------------------------|--------------------------------|-----------------------------------------|------------------------------------|---------------------------|----|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                  |                                 |                                 |                                                      |                                      |             |               | Cultivation                         | Cultivation                                                     | Trimming                                                           | Trimming                                 |                                | Total Project                           | Average                            |                           |    |
| * Updated Feb. 17, 2018                                                                                 |                  | Cultivation Area                | Total Project Number of Permits | Indoor                                               | Mixed-light                          | Mixed-light | Outdoor       | Average Total Employees Per Parcel  | Number of Full Time Employees                                   | Number of Full Time Employees Per Permit                           | Number of Full Time Employees Per Permit |                                | Number of Full Time Employees           | Full Time Employees By Parcel Size |                           |    |
| Parcel Size                                                                                             |                  | Square Feet                     |                                 |                                                      | Tier 1                               | Tier 2      | 1/2 Year Only |                                     |                                                                 |                                                                    |                                          |                                |                                         |                                    |                           |    |
| 2-5 acres                                                                                               |                  | 500                             | 1,050                           | 0.5                                                  |                                      | 0           | 0             | 0.5                                 | 525                                                             |                                                                    | 258                                      |                                | 783                                     | 0.75                               |                           |    |
|                                                                                                         |                  |                                 |                                 | 1050                                                 |                                      |             |               |                                     |                                                                 |                                                                    |                                          |                                |                                         |                                    |                           |    |
| 5-10 acres                                                                                              |                  | 2,500                           | 2,100                           | 1.5                                                  | 1.25                                 | 1.5         | 0.5           | 1.19                                | 2,450                                                           |                                                                    | 2,010                                    |                                | 4,460                                   | 2.12                               |                           |    |
|                                                                                                         |                  |                                 | 2,100                           | 700                                                  | 0                                    | 700         | 700           |                                     |                                                                 |                                                                    |                                          |                                |                                         |                                    |                           |    |
| 10-20 acres                                                                                             |                  | 5,000                           | 1,750                           | 2                                                    | 1.75                                 | 2           | 0.75          | 1.63                                | 2,771                                                           |                                                                    | 3,350                                    |                                | 6,121                                   | 3.50                               |                           |    |
|                                                                                                         |                  |                                 | 1,750                           | 583                                                  | 0                                    | 583         | 583           |                                     |                                                                 |                                                                    |                                          |                                |                                         |                                    |                           |    |
| Over 20 acres                                                                                           |                  | 10,000                          | 2,100                           | 3                                                    | 2.5                                  | 3           | 1.5           | 2.50                                | 5,250                                                           |                                                                    | 8,041                                    |                                | 13,291                                  | 6.33                               |                           |    |
|                                                                                                         |                  |                                 | 2,100                           | 700                                                  | 0                                    | 700         | 700           |                                     |                                                                 |                                                                    |                                          |                                |                                         |                                    |                           |    |
| Total Permits                                                                                           |                  |                                 | 7,000                           |                                                      |                                      |             |               | Total Cultivation Employees         | 10,996                                                          | 1.57                                                               | 13,660                                   | 1.95                           | 24,655                                  | 3.52                               |                           |    |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                  |                                 |                                 |                                                      |                                      |             |               |                                     |                                                                 |                                                                    |                                          |                                |                                         |                                    |                           |    |
|                                                                                                         |                  |                                 | Conversion                      | Yield                                                |                                      |             |               |                                     | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Water Use Gallons Per Permitted Site     | Project Water Use              |                                         |                                    |                           |    |
|                                                                                                         |                  |                                 | 0.51905                         |                                                      |                                      |             |               |                                     |                                                                 |                                                                    |                                          |                                |                                         |                                    |                           |    |
| Parcel Size                                                                                             | Cultivation Area | Total Project Number of Permits | Indoor                          | Mixed-light                                          | Mixed-light                          | Outdoor     | Total         | Trimming Hours Per Pound            |                                                                 |                                                                    | Number of Permits Issued                 | Total Project Gallons Per Year | Total Project Acre Feet Per Year        |                                    |                           |    |
|                                                                                                         | Square Feet      |                                 |                                 | Tier 1                                               | Tier 2                               |             |               |                                     |                                                                 |                                                                    | 6 Gal./Plant                             |                                | 325,851.43                              |                                    |                           |    |
| 2-5 acres - Pounds of Net Production                                                                    |                  | 500                             | 1,050                           | 86,150                                               | -                                    | -           | -             | 86,150                              | 6                                                               | 2,000                                                              |                                          |                                |                                         |                                    |                           |    |
| Square Feet of Production                                                                               |                  |                                 |                                 | 1,575,000                                            |                                      |             |               |                                     | 0.25                                                            | 258                                                                | 5,400                                    | 1,050                          | 5,670,000                               | 17.40                              |                           |    |
|                                                                                                         |                  |                                 |                                 | 0.25                                                 | -                                    | -           | -             |                                     |                                                                 |                                                                    |                                          |                                | -                                       |                                    |                           |    |
| 5-10 acres - Pounds of Net Production                                                                   |                  | 2,500                           | 2,100                           | 287,166                                              | -                                    | 287,166     | 95,722        | 670,054                             | 6                                                               | 0.96                                                               | 2,010                                    | 27,000                         | 2,100                                   | 56,700,000                         | 174.01                    |    |
| Square Feet of Production                                                                               |                  |                                 |                                 | 5,250,000                                            | 0                                    | 5,250,000   | 1,750,000     |                                     |                                                                 |                                                                    |                                          |                                | -                                       |                                    |                           |    |
|                                                                                                         |                  |                                 |                                 | 0.41                                                 | -                                    | 0.41        | 0.14          |                                     |                                                                 |                                                                    |                                          |                                | -                                       |                                    |                           |    |
| 10-20 acres - Pounds of Net Production                                                                  |                  | 5,000                           | 1,750                           | 478,610                                              | -                                    | 478,610     | 159,537       | 1,116,756                           | 6                                                               | 1.91                                                               | 3,350                                    | 54,000                         | 1,750                                   | 94,500,000                         | 290.01                    |    |
| Square Feet of Production                                                                               |                  |                                 |                                 | 8,750,000                                            | 0                                    | 8,750,000   | 2,916,667     |                                     |                                                                 |                                                                    |                                          |                                | -                                       |                                    |                           |    |
|                                                                                                         |                  |                                 |                                 | 0.82                                                 | -                                    | 0.82        | 0.27          |                                     |                                                                 |                                                                    |                                          |                                | -                                       |                                    |                           |    |
| Over 20 acres - Pounds of Net Production                                                                |                  | 10,000                          | 2,100                           | 1,148,664                                            | -                                    | 1,148,664   | 382,888       | 2,680,215                           | 6                                                               | 3.83                                                               | 8,041                                    | 108,000                        | 2,100                                   | 226,800,000                        | 696.02                    |    |
| Square Feet of Production                                                                               |                  |                                 |                                 | 21,000,000                                           | -                                    | 21,000,000  | 7,000,000     |                                     |                                                                 |                                                                    |                                          |                                | -                                       |                                    |                           |    |
|                                                                                                         |                  |                                 |                                 | 1.64                                                 | -                                    | 1.64        | 0.55          |                                     | See Table Above for Total Employees                             |                                                                    | Total Water Gallons                      |                                | 383,670,000                             |                                    |                           |    |
| Total Permits                                                                                           |                  |                                 | 7,000                           |                                                      | Total Net Production Before Trimming |             |               |                                     | 4,553,175                                                       | Trimming Employees Only                                            | 13,660                                   |                                | Total Acre Feet                         | 1,177.44                           |                           |    |
| Electric Use for Project                                                                                |                  | Cultivation Area                |                                 | Electric Use kWh per S.F. per Year- Cultivation Only |                                      |             |               | Electric Use Accessory Buildings    |                                                                 |                                                                    |                                          | Electric Use Notes:            |                                         |                                    |                           |    |
|                                                                                                         | Square Feet      |                                 |                                 | Indoor                                               | Mixed-light                          | Mixed-light | Outdoor       | Total kW Hours                      | Indoor                                                          | Mixed-light                                                        | Mixed-light                              | Outdoor                        | Total kW Hours                          | Lighting                           | HVAC                      |    |
|                                                                                                         |                  |                                 |                                 |                                                      | Tier 1                               | Tier 2      |               |                                     |                                                                 | Tier 1                                                             | Tier 2                                   |                                |                                         | Indoor: kWh Hours per SF           |                           |    |
| 2-5 acres - Electric Use per Permit                                                                     |                  | 500                             | 1,050                           | 135                                                  |                                      |             |               |                                     | 3.82                                                            | Note: Accessory Structures: 93.85% of Canopy                       |                                          |                                |                                         |                                    | 100                       | 35 |
| Square Feet of Production                                                                               |                  |                                 |                                 | 525,000                                              |                                      |             |               |                                     | 525,000                                                         | Processing Area: 9.6%, Warehouse: 22.4%                            |                                          |                                |                                         |                                    | Mixed-light 1: kWh per SF |    |
|                                                                                                         |                  |                                 |                                 | 70,875,000                                           |                                      |             |               | 70,875,000                          | 2,003,610                                                       | Ag. Build: 36.85%, Immature Plants: 25%                            |                                          |                                |                                         | 2,003,610                          | 7.7                       | 15 |
| 5-10 acres - Electric Use per Permit                                                                    |                  | 2,500                           | 2,100                           | 135                                                  | 22.7                                 | 62          | 2.5           |                                     | 3.82                                                            | 3.82                                                               | 3.82                                     | 3.82                           |                                         | Mixed-light 2: kWh per SF          |                           |    |
| Square Feet of Production                                                                               |                  |                                 |                                 | 1,750,000                                            | -                                    | 1,750,000   | 1,750,000     |                                     | 1,750,000                                                       | -                                                                  | 1,750,000                                | 1,750,000                      |                                         | 32                                 | 30                        |    |
|                                                                                                         |                  |                                 |                                 | 236,250,000                                          | -                                    | 108,500,000 | 4,375,000     | 349,125,000                         | 6,678,700                                                       | -                                                                  | 6,678,700                                | 6,678,700                      | 20,036,100                              | Outdoor: kWh per SF                |                           |    |
| 10-20 acres - Electric Use per Permit                                                                   |                  | 5,000                           | 1,750                           | 135                                                  | 22.7                                 | 62          | 2.5           |                                     | 3.82                                                            | 3.82                                                               | 3.82                                     | 3.82                           |                                         | 0.5                                | 2                         |    |
| Square Feet of Production                                                                               |                  |                                 |                                 | 2,916,667                                            | -                                    | 2,916,667   | 2,916,667     |                                     | 2,916,667                                                       | -                                                                  | 2,916,667                                | 2,916,667                      |                                         | Accessory Buildings % of Canopy    |                           |    |
|                                                                                                         |                  |                                 |                                 | 393,750,000                                          | -                                    | 180,833,333 | 7,291,667     | 581,875,000                         | 11,131,167                                                      | -                                                                  | 11,131,167                               | 11,131,167                     | 33,393,500                              | Processing 11.8 kWh/SF at 9.6%     |                           |    |
| Over 20 acres - Electric Use per Permit                                                                 |                  | 10,000                          | 2,100                           | 135                                                  | 22.7                                 | 62          | 2.5           |                                     | 3.82                                                            | 3.82                                                               | 3.82                                     | 3.82                           |                                         | Warehouse 6.4 kWh/SF at 22.4%      |                           |    |
| Square Feet of Production                                                                               |                  |                                 |                                 | 7,000,000                                            | -                                    | 7,000,000   | 7,000,000     |                                     | 7,000,000                                                       | -                                                                  | 7,000,000                                | 7,000,000                      |                                         | Total Project Electric Use         |                           |    |
|                                                                                                         |                  |                                 |                                 | 945,000,000                                          | -                                    | 434,000,000 | 17,500,000    | 1,396,500,000                       | 26,714,800                                                      | -                                                                  | 26,714,800                               | 26,714,800                     | 80,144,400                              | 2,533,952,610 kWh Hours            |                           |    |
|                                                                                                         |                  |                                 |                                 |                                                      |                                      |             | kW Hours      | 2,398,375,000                       |                                                                 |                                                                    |                                          | kW Hours                       | 135,577,610                             | 2,533,953 Megawatts                |                           |    |
|                                                                                                         |                  |                                 |                                 |                                                      |                                      |             | Megawatts     | 2,398,375                           | Gigawatts                                                       |                                                                    |                                          | Gigawatts                      | 136                                     | 2,534 Gigawatts                    |                           |    |
| Solar Panels - Renewable Energy                                                                         |                  | 40% of Total Project Use        |                                 | Use of 350 Watt Solar Panels                         |                                      |             |               | Includes Cultivation & Accessory SF |                                                                 | Solar Calculations                                                 |                                          |                                |                                         |                                    |                           |    |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                  |                                 |                                 | Indoor                                               | Mixed-light                          | Mixed-light | Outdoor       | Total Solar Panels                  |                                                                 | One 350W Solar Panel                                               |                                          | % Supplied by Solar Energy     |                                         |                                    |                           |    |
|                                                                                                         |                  |                                 |                                 |                                                      | Tier 1                               | Tier 2      |               |                                     | kWh Year                                                        | S.F. / Panel                                                       |                                          |                                |                                         |                                    |                           |    |
| 2-5 acres - Electric Use per Permit                                                                     |                  | 500                             | 1,050                           | 525,000                                              |                                      |             |               | 50,723                              |                                                                 |                                                                    | 574.72                                   | 17.541                         | 50%                                     | 45%                                | 40%                       |    |
| Number of 350 Watt Solar Panels Required                                                                |                  |                                 |                                 | 50,723                                               |                                      |             |               |                                     | Indoor                                                          | 138.82                                                             | 0.24                                     |                                | 0.121                                   | 0.109                              | 0.097                     |    |
| 5-10 acres - Electric Use per Permit                                                                    |                  | 2,500                           | 2,100                           | 1,750,000                                            | -                                    | 1,750,000   | 1,750,000     | 256,933                             | Mixed-light 1                                                   | 26.52                                                              | 0.05                                     |                                | 0.023                                   | 0.021                              | 0.018                     |    |
| Number of 350 Watt Solar Panels Required                                                                |                  |                                 |                                 | 169,076                                              | -                                    | 80,163      | 7,693         |                                     | Mixed-light 2                                                   | 65.82                                                              | 0.11                                     |                                | 0.057                                   | 0.052                              | 0.046                     |    |
| 10-20 acres - Electric Use per Permit                                                                   |                  | 5,000                           | 1,750                           | 2,916,667                                            | -                                    | 2,916,667   | 2,916,667     | 428,221                             | Outdoor                                                         | 6.32                                                               | 0.01                                     |                                | 0.005                                   | 0.005                              | 0.004                     |    |
| Number of 350 Watt Solar Panels Required                                                                |                  |                                 |                                 | 281,794                                              | -                                    | 133,606     | 12,822        |                                     | Avg. House                                                      | 4.518                                                              | 0.01                                     |                                | 0.004                                   | 0.004                              | 0.003                     |    |
| Over 20 acres - Electric Use per Permit                                                                 |                  | 10,000                          | 2,100                           | 7,000,000                                            | -                                    | 7,000,000   | 7,000,000     | 1,027,731                           | 1,800 SF Nevada County 2016                                     |                                                                    |                                          |                                | Avg. No. Panels for 1,800 SF House @40% |                                    | 5.66                      |    |
| Number of 350 Watt Solar Panels Required                                                                |                  |                                 |                                 | 676,305                                              | -                                    | 320,653     | 30,773        |                                     | 43,560                                                          |                                                                    |                                          |                                | 30,935,456                              | Total Square Feet of Solar Panels  |                           |    |
| Total Canopy                                                                                            |                  | 35,525,000                      |                                 | Total Solar Panels @ 40%                             |                                      |             |               | 1,763,608                           | Total Solar Panel Area @ 40%                                    |                                                                    |                                          |                                | 710                                     | Acres of Solar Panels              |                           |    |

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| Alternative 1C (55% Outdoor - Increased Indoor)                           |                 |                 |                      |               |         | Page 1 of 2         |                     |                    |                       |                       |                   |                         |                         |                 |                           |
|---------------------------------------------------------------------------|-----------------|-----------------|----------------------|---------------|---------|---------------------|---------------------|--------------------|-----------------------|-----------------------|-------------------|-------------------------|-------------------------|-----------------|---------------------------|
| February 16, 2019 by: Plan-aire.com                                       |                 |                 |                      |               |         | Land Information    |                     | Canopy Information |                       |                       |                   | 43,560                  |                         | AE, AG & FR     |                           |
|                                                                           |                 |                 |                      |               |         |                     |                     |                    |                       |                       |                   |                         |                         |                 |                           |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels   | AE, AG, FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | RA-Rural        | Total Project Quick Facts |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF        | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 56                  | 154                | 210                   |                       |                   | (35)                    | 76                      |                 | Total Employees           |
| Permit Allocation                                                         | 3%              | 17%             | 30%                  | 50%           | 100%    | 500 SF              | (48,584)            | 76792.17958        | 28,208                | 0.6                   | 0.06%             |                         |                         |                 | 27,582                    |
| Total Cultivation Permits                                                 | 210             | 1,190           | 2,100                | 3,500         | 7,000   | 5 to 10 acres       | 416                 | 774                | 1,190                 |                       |                   | (490)                   | 1,626                   |                 | Electric Use MWh          |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830           | 4,097                | 5,358         | 12,666  | 2,500 SF            | (897,377)           | 1936188.525        | 1,038,811             | 23.8                  | 2.31%             |                         |                         |                 | 1,972,549                 |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%           | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 2,022               | 78                 | 2,100                 |                       |                   | 2,373                   | 2,563                   |                 | Solar Panels/40%          |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%          | 32.35%               | 42.30%        | 100%    | 5,000 SF            | 9,720,893           | 389553.3317        | 10,110,447            | 232.1                 | 22.44%            |                         |                         |                 | 1,372,876                 |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228           | 5,698                | 6,445         | 27,207  | Over 20 acres       | 3,388               | 112                | 3,500                 |                       |                   | 6,115                   | 6,532                   |                 | Water - Acre Feet         |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%          | 20.94%               | 23.69%        | 100.00% | 10,000 SF           | 32,765,957          | 1117021.277        | 33,882,979            | 778                   | 75.19%            |                         |                         |                 | 1,610.13                  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191           | 152                  | 171           | 2,524   | Total Canopy        | 41,540,889          | 3,519,555          | 45,060,445            | 1,034.4               | 100.00%           | 3,280                   | 1,394                   |                 | 2060 Market Share         |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558           | 327                  | 367           | 5,422   | Production SF       |                     |                    |                       |                       |                   |                         |                         |                 | 280.1%                    |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021           | 4,249                | 5,529         | 15,190  |                     |                     |                    |                       |                       |                   |                         |                         |                 |                           |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786          | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                    | 420,000               |                       | 0.43%             | Accessory Space         | 45,592,330              |                 | 1,046.7                   |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 0.83%           | 5.05%           | 35.49%               | 52.57%        | 21.62%  | Indoor              |                     |                    | 19,390,000            |                       | 19.91%            | 93.85%                  |                         |                 |                           |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 56              | 416             | 2,022                | 3,388         | 5,882   | Total Indoor        |                     |                    | 19,810,000            |                       |                   | Other Site Work         | 9,716,000               |                 | 223.0                     |
| % of RA-Rural to AE, AG, & FR w Res.                                      | 73%             | 65%             | 4%                   | 3%            | 20%     | Mixed-light 1       |                     |                    | -                     |                       | 0.00%             | 20%                     |                         |                 |                           |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 154             | 774             | 78                   | 112           | 1,118   | Mixed-light 2       |                     |                    | 50,898,750            |                       | 52.27%            | Subtotal                | 103,888,330             |                 | 2,384.9                   |
| Total Permits Issued All zones                                            | 210             | 1,190           | 2,100                | 3,500         | 7,000   | Outdoor             |                     |                    | 26,661,250            |                       | 27.38%            | Solar Panels            | 24,081,625              |                 | 552.8                     |
|                                                                           |                 |                 |                      |               |         | Total Production SF |                     |                    | 97,370,000            |                       | 100.00%           | 49.57%                  | Disturbed SF            | Disturbed Acres |                           |
|                                                                           |                 |                 |                      |               |         |                     |                     |                    |                       |                       |                   | 263.42%                 | 127,969,955             |                 | 2,937.8                   |

| Alternative 1C (55% Outdoor - Increased Indoor) |             |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
|-------------------------------------------------|-------------|----------------------|---------------------------|---------------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|
| February 16, 2019 by: Plan-aire.com             |             |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
| Cannabis Production Area                        |             |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
| 2 Acres to 5 Acres                              |             |                      |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres                            |                      |                           | Over 20 Acres |                      |                           | Total Square Feet of Canopy Annually |
| AG, AE and FR zones                             | % of Canopy | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production | Total Pounds of Production Annually  |
| Maximum Canopy Size - Square Feet               | 500         |                      |                           | 2,500               |                        |                           | 5,000                                           |                      |                           | 10,000        |                      |                           |                                      |
| 500 Square Feet Indoors                         | 100%        |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
| Parcels                                         | 210         | 4                    | 420,000                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
| Total Square Feet of Canopy - Annually          |             |                      | 420,000                   |                     |                        |                           |                                                 |                      |                           |               |                      | 420,000                   | 44,260                               |
| 2,500 Square Feet                               |             |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
| Parcels                                         |             |                      |                           | 1,190               |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
| Indoors                                         |             |                      |                           | 10.00%              | 4                      | 1,190,000                 |                                                 |                      |                           |               |                      |                           |                                      |
| Mixed Light 1                                   |             |                      |                           |                     |                        | 0                         |                                                 |                      |                           |               |                      |                           |                                      |
| Mixed Light 2                                   |             |                      |                           | 35.00%              | 3                      | 3,123,750                 |                                                 |                      |                           |               |                      |                           |                                      |
| Outdoors                                        |             |                      |                           | 55.00%              | 1                      | 1,636,250.00              |                                                 |                      |                           |               |                      |                           |                                      |
| Total Square Feet of Canopy - Annually          |             |                      |                           | 100.00%             |                        | 5,950,000                 |                                                 |                      |                           |               |                      | 5,950,000                 | 627,020                              |
| 5,000 Square Feet                               |             |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
| Parcels                                         |             |                      |                           |                     |                        |                           | 2,100                                           |                      |                           |               |                      |                           |                                      |
| Indoors                                         |             |                      |                           |                     |                        |                           | 10.00%                                          | 4                    | 4,200,000                 |               |                      |                           |                                      |
| Mixed Light 1                                   |             |                      |                           |                     |                        |                           |                                                 |                      | -                         |               |                      |                           |                                      |
| Mixed Light 2                                   |             |                      |                           |                     |                        |                           | 35.00%                                          | 3                    | 11,025,000                |               |                      |                           |                                      |
| Outdoors                                        |             |                      |                           |                     |                        |                           | 55.00%                                          | 1                    | 5,775,000                 |               |                      |                           |                                      |
| Total Square Feet of Canopy - Annually          |             |                      |                           |                     |                        |                           | 100.00%                                         |                      | 21,000,000                |               |                      | 21,000,000                | 2,213,012                            |
| 10,000 Square Feet                              |             |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |
| Parcels                                         |             |                      |                           |                     |                        |                           |                                                 |                      |                           | 3,500         |                      |                           |                                      |
| Indoors                                         |             |                      |                           |                     |                        |                           |                                                 |                      |                           | 10.00%        | 4                    | 14,000,000                |                                      |
| Mixed Light 1                                   |             |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      | -                         |                                      |
| Mixed Light 2                                   |             |                      |                           |                     |                        |                           |                                                 |                      |                           | 35.00%        | 3                    | 36,750,000                |                                      |
| Outdoors                                        |             |                      |                           |                     |                        |                           |                                                 |                      |                           | 55.00%        | 1                    | 19,250,000                |                                      |
| Total Square Feet of Canopy - Annually          |             |                      |                           |                     |                        |                           |                                                 |                      |                           | 100.00%       |                      | 70,000,000                | 7,376,706                            |
| Gross Production Before Adjustments             |             | 10,260,998           | % of 2060 Market Share    | 280.1%              | % of 2040 Market Share | 306.4%                    | % of 2016 Production Level                      | 394.5%               |                           |               |                      |                           |                                      |
| Adjustment for Effectiveness                    | -40.68%     | 6,086,824            | Net Potential Crop        |                     | Total Parcels          | 7,000                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |               |                      | 97,370,000                | 10,260,998                           |
| Loss Before Trimming                            | -12.50%     | 5,325,971            | Net Production            |                     | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      |                           |               |                      | 4,654,286,000             |                                      |
| Adjustment for Lab Testing                      | -12.50%     | 4,660,225            | Total Saleable Pounds     |                     | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      |                           |               |                      | 10,260,998                |                                      |

| Alternative 1C (55% Outdoor - Increased Indoor)                                                         |                                    |                                       | Page 2 of 2                                          |                       | February 16, 2019 by: Plan-aire.com |                          |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
|---------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------|------------------------------------------------------|-----------------------|-------------------------------------|--------------------------|---------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------|--------------------------------------|----------------------------------------|--------------------------------------------------------|-------|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                                    |                                       |                                                      |                       |                                     |                          | Cultivation<br>Average Total<br>Employees<br>Per Parcel | Cultivation<br>Only<br>Number of<br>Full Time<br>Employees | Cultivation<br>Number of<br>Full Time<br>Employees<br>Per Permit               | Trimming<br>Only<br>Number of<br>Full Time<br>Employees                           | Trimming<br>Number of<br>Full Time<br>Employees<br>Per Permit | Total Project                        |                                        | Average<br>Full Time<br>Employees<br>By Parcel<br>Size |       |
| Parcel Size                                                                                             | Cultivation<br>Area<br>Square Feet | Total Project<br>Number of<br>Permits | Indoor                                               | Mixed-light<br>Tier 1 | Mixed-light<br>Tier 2               | Outdoor<br>1/2 Year Only |                                                         |                                                            |                                                                                |                                                                                   |                                                               | Number of<br>Full Time<br>Employees  |                                        | Full Time<br>Employees<br>By Parcel<br>Size            |       |
| 2-5 acres                                                                                               | 500                                | 210                                   | 0.5                                                  |                       | 0                                   | 0                        | 0.5                                                     | 105                                                        |                                                                                | 69                                                                                |                                                               | 174                                  |                                        | 0.83                                                   |       |
|                                                                                                         |                                    | 210                                   |                                                      |                       |                                     |                          |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
| 5-10 acres                                                                                              | 2,500                              | 1,190                                 | 1.5                                                  | 1.25                  | 1.5                                 | 0.5                      | 1.19                                                    | 1,131                                                      |                                                                                | 976                                                                               |                                                               | 2,107                                |                                        | 1.77                                                   |       |
|                                                                                                         |                                    | 1,190                                 | 119                                                  | 0                     | 417                                 | 655                      |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
| 10-20 acres                                                                                             | 5,000                              | 2,100                                 | 2                                                    | 1.75                  | 2                                   | 0.75                     | 1.63                                                    | 2,756                                                      |                                                                                | 3,446                                                                             |                                                               | 6,202                                |                                        | 2.95                                                   |       |
|                                                                                                         |                                    | 2,100                                 | 210                                                  | 0                     | 735                                 | 1155                     |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
| Over 20 acres                                                                                           | 10,000                             | 3,500                                 | 3                                                    | 2.5                   | 3                                   | 1.5                      | 2.50                                                    | 7,613                                                      |                                                                                | 11,487                                                                            |                                                               | 19,099                               |                                        | 5.46                                                   |       |
|                                                                                                         |                                    | 3,500                                 | 350                                                  | 0                     | 1225                                | 1925                     |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
| Total Permits                                                                                           |                                    | 7,000                                 |                                                      |                       |                                     |                          | Total Cultivation Employees                             | 11,604                                                     | 1.66                                                                           | 15,978                                                                            | 2.28                                                          | 27,582                               |                                        | 3.94                                                   |       |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                                    |                                       |                                                      |                       |                                     |                          |                                                         |                                                            | Per Parcel<br>Full Time<br>Equivalent<br>Employees<br>Required for<br>Trimming | Total Project<br>Full Time<br>Equivalent<br>Employees<br>Required for<br>Trimming | Water Use<br>Gallons Per<br>Permitted<br>Site<br>6 Gal./Plant | Project Water Use                    |                                        |                                                        |       |
|                                                                                                         |                                    | Conversion<br>0.51905                 | Yield                                                |                       |                                     |                          |                                                         | Trimming<br>Hours<br>Per Pound                             |                                                                                |                                                                                   | Number of<br>Permits<br>Issued                                | Total Project<br>Gallons<br>Per Year | Total Project<br>Acre Feet<br>Per Year |                                                        |       |
| Parcel Size                                                                                             | Cultivation<br>Area<br>Square Feet | Total Project<br>Number of<br>Permits | Indoor                                               | Mixed-light<br>Tier 1 | Mixed-light<br>Tier 2               | Outdoor                  | Total                                                   |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
| 2-5 acres - Pounds of Net Production                                                                    | 500                                | 210                                   | 22,973                                               | -                     | -                                   | -                        | 22,973                                                  | 6                                                          | 0.33                                                                           | 69                                                                                | 5,400                                                         | 210                                  | 1,134,000                              | 3.48                                                   |       |
| Square Feet of Production                                                                               |                                    |                                       | 420,000                                              |                       |                                     |                          |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
|                                                                                                         |                                    |                                       | 0.33                                                 | -                     | -                                   | -                        |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                              | 1,190                                 | 65,091                                               | -                     | 170,864                             | 89,500                   | 325,455                                                 | 6                                                          | 0.82                                                                           | 976                                                                               | 27,000                                                        | 1,190                                | 32,130,000                             | 98.60                                                  |       |
| Square Feet of Production                                                                               |                                    |                                       | 1,190,000                                            | 0                     | 3,123,750                           | 1,636,250                |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
|                                                                                                         |                                    |                                       | 0.16                                                 | -                     | 0.43                                | 0.23                     |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                              | 2,100                                 | 229,733                                              | -                     | 603,048                             | 315,883                  | 1,148,664                                               | 6                                                          | 1.64                                                                           | 3,446                                                                             | 54,000                                                        | 2,100                                | 113,400,000                            | 348.01                                                 |       |
| Square Feet of Production                                                                               |                                    |                                       | 4,200,000                                            | 0                     | 11,025,000                          | 5,775,000                |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
|                                                                                                         |                                    |                                       | 0.33                                                 | -                     | 0.86                                | 0.45                     |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                             | 3,500                                 | 765,776                                              | -                     | 2,010,162                           | 1,052,942                | 3,828,879                                               | 6                                                          | 3.28                                                                           | 11,487                                                                            | 108,000                                                       | 3,500                                | 378,000,000                            | 1,160.04                                               |       |
| Square Feet of Production                                                                               |                                    |                                       | 14,000,000                                           | -                     | 36,750,000                          | 19,250,000               |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                      |                                        |                                                        |       |
|                                                                                                         |                                    |                                       | 0.66                                                 | -                     | 1.72                                | 0.90                     |                                                         | See Table Above for Total Employees                        |                                                                                |                                                                                   | Total Water Gallons                                           | 524,664,000                          |                                        |                                                        |       |
| Total Permits                                                                                           |                                    | 7,000                                 |                                                      |                       |                                     |                          | Total Net Production Before Trimming                    | 5,325,971                                                  | Trimming Employees Only                                                        | 15,978                                                                            |                                                               |                                      | Total Acre Feet                        | 1,610.13                                               |       |
| Electric Use for Project                                                                                |                                    |                                       | Electric Use kWh per S.F. per Year- Cultivation Only |                       |                                     |                          |                                                         | Electric Use Accessory Buildings                           |                                                                                |                                                                                   |                                                               |                                      | Electric Use Notes:                    |                                                        |       |
|                                                                                                         | Cultivation<br>Area<br>Square Feet |                                       | Indoor                                               | Mixed-light<br>Tier 1 | Mixed-light<br>Tier 2               | Outdoor                  | Total<br>kW Hours                                       | Indoor                                                     | Mixed-light<br>Tier 1                                                          | Mixed-light<br>Tier 2                                                             | Outdoor                                                       | Total<br>kW Hours                    | Lighting                               | HVAC                                                   |       |
| 2-5 acres - Electric Use per Permit                                                                     | 500                                | 210                                   | 135                                                  |                       |                                     |                          |                                                         | 3.82                                                       | Note: Accessory Structures: 93.85% of Canopy                                   |                                                                                   |                                                               |                                      | 100                                    | 35                                                     |       |
| Square Feet of Production                                                                               |                                    |                                       | 105,000                                              |                       |                                     |                          |                                                         | 105,000                                                    | Processing Area: 9.6%, Warehouse: 22.4%                                        |                                                                                   |                                                               |                                      | Mixed-light 1: kWh per SF              |                                                        |       |
|                                                                                                         |                                    |                                       | 14,175,000                                           |                       |                                     |                          | 14,175,000                                              | 400,722                                                    | Ag. Build: 36.85%, Immature Plants: 25%                                        |                                                                                   |                                                               | 400,722                              | 7.7                                    | 15                                                     |       |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                              | 1,190                                 | 135                                                  | 22.7                  | 62                                  | 2.5                      |                                                         | 3.82                                                       | 3.82                                                                           | 3.82                                                                              | 3.82                                                          |                                      | Mixed-light 2: kWh per SF              |                                                        |       |
| Square Feet of Production                                                                               |                                    |                                       | 297,500                                              | -                     | 1,041,250                           | 1,636,250                |                                                         | 297,500                                                    | -                                                                              | 1,041,250                                                                         | 1,636,250                                                     |                                      | 32                                     | 30                                                     |       |
|                                                                                                         |                                    |                                       | 40,162,500                                           | -                     | 64,557,500                          | 4,090,625                | 108,810,625                                             | 1,135,379                                                  | -                                                                              | 3,973,827                                                                         | 6,244,585                                                     | 11,353,790                           | Outdoor: kWh per SF                    |                                                        |       |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                              | 2,100                                 | 135                                                  | 22.7                  | 62                                  | 2.5                      |                                                         | 3.82                                                       | 3.82                                                                           | 3.82                                                                              | 3.82                                                          |                                      | 0.5                                    | 2                                                      |       |
| Square Feet of Production                                                                               |                                    |                                       | 1,050,000                                            | -                     | 3,675,000                           | 5,775,000                |                                                         | 1,050,000                                                  | -                                                                              | 3,675,000                                                                         | 5,775,000                                                     |                                      | Accessory Buildings % of Canopy        |                                                        |       |
|                                                                                                         |                                    |                                       | 141,750,000                                          | -                     | 227,850,000                         | 14,437,500               | 384,037,500                                             | 4,007,220                                                  | -                                                                              | 14,025,270                                                                        | 22,039,710                                                    | 40,072,200                           | Processing 11.8 kWh/SF at 9.6%         |                                                        |       |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                             | 3,500                                 | 135                                                  | 22.7                  | 62                                  | 2.5                      |                                                         | 3.82                                                       | 3.82                                                                           | 3.82                                                                              | 3.82                                                          |                                      | Warehouse 6.4 kWh/SF at 22.4%          |                                                        |       |
| Square Feet of Production                                                                               |                                    |                                       | 3,500,000                                            | -                     | 12,250,000                          | 19,250,000               |                                                         | 3,500,000                                                  | -                                                                              | 12,250,000                                                                        | 19,250,000                                                    |                                      | Total Project Electric Use             |                                                        |       |
|                                                                                                         |                                    |                                       | 472,500,000                                          | -                     | 759,500,000                         |                          | 1,280,125,000                                           | 13,357,400                                                 | -                                                                              | 46,750,900                                                                        | 73,465,700                                                    | 133,574,000                          | 1,972,548,837 kWh Hours                |                                                        |       |
|                                                                                                         |                                    |                                       |                                                      |                       |                                     | kW Hours                 | 1,787,148,125                                           |                                                            |                                                                                |                                                                                   | kW Hours                                                      | 185,400,712                          | 1,972,549 Megawatts                    |                                                        |       |
|                                                                                                         |                                    |                                       |                                                      |                       |                                     | Megawatts                | 1,787,148                                               | Gigawatts                                                  |                                                                                |                                                                                   | Gigawatts                                                     | 185                                  | 1.973 Gigawatts                        |                                                        |       |
| Solar Panels - Renewable Energy                                                                         |                                    |                                       | 40% of Total Project Use                             |                       |                                     |                          | Use of 350 Watt Solar Panels                            |                                                            |                                                                                |                                                                                   | Solar Calculations                                            |                                      |                                        |                                                        |       |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                                    |                                       | Indoor                                               | Mixed-light<br>Tier 1 | Mixed-light<br>Tier 2               | Outdoor                  | Total<br>Solar Panels                                   | Includes<br>Cultivation &<br>Accessory SF                  | kWh per SF                                                                     |                                                                                   | One 350W Solar Panel                                          |                                      | % Supplied by Solar Energy             |                                                        |       |
|                                                                                                         |                                    |                                       |                                                      |                       |                                     |                          |                                                         |                                                            |                                                                                |                                                                                   | kWh Year                                                      | S.F. / Panel                         |                                        |                                                        |       |
| 2-5 acres - Electric Use per Permit                                                                     | 500                                | 210                                   | 105,000                                              |                       |                                     |                          |                                                         |                                                            |                                                                                |                                                                                   | 574.72                                                        | 17.541                               | 50%                                    | 45%                                                    | 40%   |
| Number of 350 Watt Solar Panels Required                                                                |                                    |                                       | 10,145                                               |                       |                                     |                          | 10,145                                                  | Indoor                                                     | 138.82                                                                         | 0.24                                                                              |                                                               |                                      | 0.121                                  | 0.109                                                  | 0.097 |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                              | 1,190                                 | 297,500                                              | -                     | 1,041,250                           | 1,636,250                |                                                         | Mixed-light 1                                              | 26.52                                                                          | 0.05                                                                              |                                                               |                                      | 0.023                                  | 0.021                                                  | 0.018 |
| Number of 350 Watt Solar Panels Required                                                                |                                    |                                       | 28,743                                               | -                     | 47,697                              | 7,193                    | 83,633                                                  | Mixed-light 2                                              | 65.82                                                                          | 0.11                                                                              |                                                               |                                      | 0.057                                  | 0.052                                                  | 0.046 |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                              | 2,100                                 | 1,050,000                                            | -                     | 3,675,000                           | 5,775,000                |                                                         | Outdoor                                                    | 6.32                                                                           | 0.01                                                                              |                                                               |                                      | 0.005                                  | 0.005                                                  | 0.004 |
| Number of 350 Watt Solar Panels Required                                                                |                                    |                                       | 101,446                                              | -                     | 168,343                             | 25,388                   | 295,177                                                 | Avg. House                                                 | 4.518                                                                          | 0.01                                                                              |                                                               |                                      | 0.004                                  | 0.004                                                  | 0.003 |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                             | 3,500                                 | 3,500,000                                            | -                     | 12,250,000                          | 19,250,000               |                                                         | 1,800 SF Nevada County 2016                                |                                                                                |                                                                                   | Avg. No. Panels for 1,800 SF House @40%                       |                                      | 5.66                                   |                                                        |       |
| Number of 350 Watt Solar Panels Required                                                                |                                    |                                       | 338,152                                              | -                     | 561,143                             | 84,626                   | 983,922                                                 | 43,560                                                     |                                                                                |                                                                                   | 24,081,625                                                    | Total Square Feet of Solar Panels    |                                        |                                                        |       |
| Total Canopy                                                                                            | 48,580,000                         |                                       | Total Solar Panels @ 40%                             |                       |                                     |                          | 1,372,876                                               | Total Solar Panel Area @ 40%                               |                                                                                |                                                                                   | 553                                                           | Acres of Solar Panels                |                                        |                                                        |       |

| Alternative 1D (55% Outdoor - Increase Indoor)                            |                 |                 | Page 1 of 2          |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |       |  |  |  |  |  |
|---------------------------------------------------------------------------|-----------------|-----------------|----------------------|---------------|---------|---------------------|---------------------|------------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|-------|--|--|--|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 |                 | Land Information     |               |         | Canopy Information  |                     |                  |                     |                       | 43,560            |                         | AE, AG & FR             | RA-Rural                  |       |  |  |  |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |       |  |  |  |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF        | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 56                  | 154              | 210                 |                       |                   | (35)                    | 76                      | Total Employees           |       |  |  |  |  |  |
| Permit Allocation                                                         | 3%              | 17%             | 40%                  | 40%           | 100%    | 500 SF              | (48,584)            | 76792.17958      | 28,208              | 0.6                   | 0.07%             |                         |                         | 25,830                    |       |  |  |  |  |  |
| Total Cultivation Permits                                                 | 210             | 1,190           | 2,800                | 2,800         | 7,000   | 5 to 10 acres       | 416                 | 774              | 1,190               |                       |                   | (490)                   | 1,626                   | Electric Use MWh          |       |  |  |  |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830           | 4,097                | 5,358         | 12,666  | 2,500 SF            | (897,377)           | 1936188.525      | 1,038,811           | 23.8                  | 2.49%             |                         |                         | 1,831,179                 |       |  |  |  |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%           | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 2,696               | 104              | 2,800               |                       |                   | 3,164                   | 3,417                   | Solar Panels/40%          |       |  |  |  |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%          | 32.35%               | 42.30%        | 100%    | 5,000 SF            | 12,961,191          | 519404.4423      | 13,480,596          | 309.5                 | 32.36%            |                         |                         | 1,274,484                 |       |  |  |  |  |  |
|                                                                           |                 |                 |                      |               |         | Over 20 acres       | 2,711               | 89               | 2,800               |                       |                   | 4,892                   | 5,226                   | Water - Acre Feet         |       |  |  |  |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228           | 5,698                | 6,445         | 27,207  | 10,000 SF           | 26,212,766          | 893617.0213      | 27,106,383          | 622                   | 65.08%            |                         |                         | 1,494.13                  |       |  |  |  |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%          | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 38,227,996          | 3,426,002        | 41,653,998          | 956.2                 | 100.00%           | 3,018                   | 1,357                   | 2060 Market Share         |       |  |  |  |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191           | 152                  | 171           | 2,524   |                     |                     |                  |                     |                       |                   | Disturbed Area          |                         | Square Feet               | Acres |  |  |  |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558           | 327                  | 367           | 5,422   | Production SF       |                     |                  |                     |                       |                   | Canopy                  | 45,080,000              | 1,034.9                   |       |  |  |  |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021           | 4,249                | 5,529         | 15,190  |                     |                     |                  |                     |                       |                   | 100%                    |                         |                           |       |  |  |  |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786          | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                  | 420,000             |                       | 0.46%             | Accessory Space         | 42,307,580              | 971.2                     |       |  |  |  |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 0.83%           | 5.05%           | 47.32%               | 42.06%        | 21.61%  | Indoor              |                     |                  | 17,990,000          |                       | 19.91%            | 93.85%                  |                         |                           |       |  |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 56              | 416             | 2,696                | 2,711         | 5,879   | Total Indoor        |                     |                  | 18,410,000          |                       |                   | Other Site Work         | 9,016,000               | 207.0                     |       |  |  |  |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 73%             | 65%             | 4%                   | 3%            | 20%     | Mixed-light 1       |                     |                  | -                   |                       | 0.00%             | 20%                     |                         |                           |       |  |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 154             | 774             | 104                  | 89            | 1,121   | Mixed-light 2       |                     |                  | 47,223,750          |                       | 52.26%            | 213.85%                 |                         |                           |       |  |  |  |  |  |
|                                                                           | 15%             | 65%             | 68%                  | 52%           | 44%     | Outdoor             |                     |                  | 24,736,250          |                       | 27.37%            | Solar Panels            | 22,355,728              | 513.2                     |       |  |  |  |  |  |
| Total Permits Issued All zones                                            | 210             | 1,190           | 2,800                | 2,800         | 7,000   | Total Production SF |                     |                  | 90,370,000          |                       | 100.00%           | 49.59%                  | Disturbed SF            | Disturbed Acres           |       |  |  |  |  |  |
|                                                                           |                 |                 |                      |               |         |                     |                     |                  |                     |                       |                   | 263.44%                 | 118,759,308             | 2,726.3                   |       |  |  |  |  |  |

| Alternative 1D (55% Outdoor - Increase Indoor) |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
|------------------------------------------------|--|--------------------|----------------------|---------------------------|---------------------|----------------------|---------------------------|----------------------|----------------------|-------------------------------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com            |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Cannabis Production Area                       |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
| AG, AE and FR zones                            |  | 2 Acres to 5 Acres |                      |                           | 5 Acres to 10 Acres |                      |                           | 10 Acres to 20 Acres |                      |                                                 | Over 20 Acres |                      |                           |                                      |                                     |
|                                                |  | % of Canopy        | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year | Annual S.F. of Production | % of Canopy          | Grow Cycles per Year | Annual S.F. of Production                       | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet              |  | 500                |                      |                           | 2,500               |                      |                           | 5,000                |                      |                                                 | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                        |  | 100%               |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Parcels                                        |  | 210                | 4                    | 420,000                   |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually         |  |                    |                      | 420,000                   |                     |                      |                           |                      |                      |                                                 |               |                      |                           | 420,000                              | 44,260                              |
| 2,500 Square Feet                              |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Parcels                                        |  |                    |                      |                           | 1,190               |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Indoors                                        |  |                    |                      |                           | 10.00%              | 4                    | 1,190,000                 |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Mixed Light 1                                  |  |                    |                      |                           |                     |                      | 0                         |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Mixed Light 2                                  |  |                    |                      |                           | 35.00%              | 3                    | 3,123,750                 |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Outdoors                                       |  |                    |                      |                           | 55.00%              | 1                    | 1,636,250                 |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually         |  |                    |                      |                           | 100.00%             |                      | 5,950,000                 |                      |                      |                                                 |               |                      |                           | 5,950,000                            | 627,020                             |
| 5,000 Square Feet                              |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Parcels                                        |  |                    |                      |                           |                     |                      |                           | 2,800                |                      |                                                 |               |                      |                           |                                      |                                     |
| Indoors                                        |  |                    |                      |                           |                     |                      |                           | 10.00%               | 4                    | 5,600,000                                       |               |                      |                           |                                      |                                     |
| Mixed Light 1                                  |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Mixed Light 2                                  |  |                    |                      |                           |                     |                      |                           | 35.00%               | 3                    | 14,700,000                                      |               |                      |                           |                                      |                                     |
| Outdoors                                       |  |                    |                      |                           |                     |                      |                           | 55.00%               | 1                    | 15,400,000                                      |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually         |  |                    |                      |                           |                     |                      |                           | 100.00%              |                      | 28,000,000                                      |               |                      |                           | 28,000,000                           | 2,950,682                           |
| 10,000 Square Feet                             |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Parcels                                        |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 | 2,800         |                      |                           |                                      |                                     |
| Indoors                                        |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 | 10.00%        | 4                    | 11,200,000                |                                      |                                     |
| Mixed Light 1                                  |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 |               |                      |                           |                                      |                                     |
| Mixed Light 2                                  |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 | 35.00%        | 3                    | 29,400,000                |                                      |                                     |
| Outdoors                                       |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 | 55.00%        | 1                    | 15,400,000                |                                      |                                     |
| Total Square Feet of Canopy - Annually         |  |                    |                      |                           |                     |                      |                           |                      |                      |                                                 | 100.00%       |                      | 56,000,000                | 56,000,000                           | 5,901,365                           |
| Gross Production Before Adjustments            |  |                    | 9,523,327            | % of 2060 Market Share    |                     | 260.0%               | % of 2040 Market Share    |                      | 284.4%               | % of 2016 Production Level                      |               | 366.2%               |                           |                                      |                                     |
| Adjustment for Effectiveness                   |  | -40.68%            | 5,649,238            | Net Potential Crop        |                     |                      | Total Parcels             |                      | 7,000                | Total Project: Square Feet Of Canopy - Annually |               |                      | 90,370,000                |                                      | 9,523,327                           |
| Loss Before Trimming                           |  | -12.50%            | 4,943,083            | Net Production            |                     |                      | Grams per Square Feet     |                      | 47.8                 | Total Grams of Production                       |               |                      | 4,319,686,000             |                                      |                                     |
| Adjustment for Lab Testing                     |  | -12.50%            | 4,325,198            | Total Saleable Pounds     |                     |                      | Grams per Pound           |                      | 453.59               | Total Pounds of Production                      |               |                      | 9,523,327                 |                                      |                                     |

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| Alternative 1D (55% Outdoor - Increase Indoor)                                                          |                              |                                 | Page 2 of 2                                          |                                      | February 16, 2019 by: Plan-aire.com |                    |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|------------------------------------------------------|--------------------------------------|-------------------------------------|--------------------|--------------------|-------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-----------------------------------|---------------------------------|----------------------------------|--|--|--|--|--|--|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                 |                                                      |                                      |                                     |                    | Cultivation        | Cultivation                         | Trimming                                                        | Trimming                                                           | Total Project                           |                                   | Average                         |                                  |  |  |  |  |  |  |
| * Updated Feb. 17, 2018                                                                                 |                              |                                 |                                                      |                                      |                                     |                    | Average Total      | Number of                           | Only                                                            | Number of                                                          | Number of                               |                                   | Full Time                       |                                  |  |  |  |  |  |  |
| Parcel Size                                                                                             | Area                         | Number of                       | Indoor                                               | Mixed-light                          | Mixed-light                         | Outdoor            | Employees          | Full Time                           | Number of                                                       | Full Time                                                          | Full Time                               |                                   | Employees                       |                                  |  |  |  |  |  |  |
| Square Feet                                                                                             | Permits                      |                                 |                                                      | Tier 1                               | Tier 2                              | 1/2 Year Only      | Per Parcel         | Employees                           | Per Permit                                                      | Employees                                                          | Employees                               |                                   | By Parcel                       |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                    |                    | Employees                           |                                                                 |                                                                    |                                         |                                   | Size                            |                                  |  |  |  |  |  |  |
| 2-5 acres                                                                                               | 500                          | 210                             | 0.5                                                  | 0                                    | 0                                   | 0                  | 0.5                | 105                                 |                                                                 | 69                                                                 | 174                                     |                                   | 0.83                            |                                  |  |  |  |  |  |  |
|                                                                                                         |                              | 210                             |                                                      |                                      |                                     |                    |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| 5-10 acres                                                                                              | 2,500                        | 1,190                           | 1.5                                                  | 1.25                                 | 1.5                                 | 0.5                | 1.19               | 1,131                               |                                                                 | 976                                                                | 2,107                                   |                                   | 1.77                            |                                  |  |  |  |  |  |  |
|                                                                                                         |                              | 1,190                           | 119                                                  | 0                                    | 417                                 | 655                |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| 10-20 acres                                                                                             | 5,000                        | 2,800                           | 2                                                    | 1.75                                 | 2                                   | 0.75               | 1.63               | 3,675                               |                                                                 | 4,595                                                              | 8,270                                   |                                   | 2.95                            |                                  |  |  |  |  |  |  |
|                                                                                                         |                              | 2,800                           | 280                                                  | 0                                    | 980                                 | 1540               |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| Over 20 acres                                                                                           | 10,000                       | 2,800                           | 3                                                    | 2.5                                  | 3                                   | 1.5                | 2.50               | 6,090                               |                                                                 | 9,189                                                              | 15,279                                  |                                   | 5.46                            |                                  |  |  |  |  |  |  |
|                                                                                                         |                              | 2,800                           | 280                                                  | 0                                    | 980                                 | 1540               |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| Total Permits                                                                                           |                              | 7,000                           |                                                      | Total Cultivation Employees          |                                     |                    |                    | 11,001                              | 1.57                                                            | 14,829                                                             | 2.12                                    | 25,830                            |                                 | 3.69                             |  |  |  |  |  |  |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                 |                                                      |                                      |                                     |                    |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Conversion                                           | Yield                                |                                     |                    |                    | Trimming Hours Per Pound            | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Project Water Use                       |                                   |                                 |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 0.51905                                              | Indoor                               | Mixed-light Tier 1                  | Mixed-light Tier 2 | Outdoor            |                                     |                                                                 |                                                                    | Water Use Gallons Per Permitted Site    | Number of Permits Issued          | Total Project Gallons Per Year  | Total Project Acre Feet Per Year |  |  |  |  |  |  |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 210                             | 22,973                                               | -                                    | -                                   | -                  | 22,973             | 6                                   | 0.33                                                            | 69                                                                 | 5,400                                   | 210                               | 1,134,000                       | 3.48                             |  |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 420,000                                              |                                      |                                     |                    |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 0.33                                                 | -                                    | -                                   | -                  |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 1,190                           | 65,091                                               | -                                    | 170,864                             | 89,500             | 325,455            | 6                                   | 0.82                                                            | 976                                                                | 27,000                                  | 1,190                             | 32,130,000                      | 98.60                            |  |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 1,190,000                                            | 0                                    | 3,123,750                           | 1,636,250          |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 0.16                                                 | -                                    | 0.43                                | 0.23               |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 2,800                           | 306,310                                              | -                                    | 804,065                             | 421,177            | 1,531,552          | 6                                   | 1.64                                                            | 4,595                                                              | 54,000                                  | 2,800                             | 151,200,000                     | 464.02                           |  |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 5,600,000                                            | 0                                    | 14,700,000                          | 7,700,000          |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 0.33                                                 | -                                    | 0.86                                | 0.45               |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 2,800                           | 612,621                                              | -                                    | 1,608,129                           | 842,353            | 3,063,103          | 6                                   | 3.28                                                            | 9,189                                                              | 108,000                                 | 2,800                             | 302,400,000                     | 928.03                           |  |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 11,200,000                                           | -                                    | 29,400,000                          | 15,400,000         |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 0.66                                                 | -                                    | 1.72                                | 0.90               |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| Total Permits                                                                                           |                              | 7,000                           |                                                      | Total Net Production Before Trimming |                                     |                    |                    | 4,943,083                           | Trimming Employees Only                                         |                                                                    | 14,829                                  | Total Water Gallons               |                                 | 486,864,000                      |  |  |  |  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                    |                    |                                     |                                                                 |                                                                    |                                         | Total Acre Feet                   |                                 | 1,494.13                         |  |  |  |  |  |  |
| Electric Use for Project                                                                                |                              |                                 |                                                      |                                      |                                     |                    |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| Cultivation Area Square Feet                                                                            |                              |                                 | Electric Use kWh per S.F. per Year- Cultivation Only |                                      |                                     |                    |                    | Electric Use Accessory Buildings    |                                                                 |                                                                    |                                         |                                   | Electric Use Notes:             |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor            | Total kW Hours     | Indoor                              | Mixed-light Tier 1                                              | Mixed-light Tier 2                                                 | Outdoor                                 | Total kW Hours                    | Lighting                        | HVAC                             |  |  |  |  |  |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 210                             | 135                                                  |                                      |                                     |                    |                    | 3.82                                | Note: Accessory Structures: 93.85% of Canopy                    |                                                                    |                                         |                                   | 100                             | 35                               |  |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 105,000                                              |                                      |                                     |                    |                    | 105,000                             | Processing Area: 9.6%, Warehouse: 22.4%                         |                                                                    |                                         |                                   | Mixed-light 1: kWh per SF       |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 14,175,000                                           |                                      |                                     |                    | 14,175,000         | 400,722                             | Ag. Build: 36.85%, Immature Plants: 25%                         |                                                                    |                                         |                                   | 7.7                             | 15                               |  |  |  |  |  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,190                           | 135                                                  | 22.7                                 | 62                                  | 2.5                |                    | 3.82                                | 3.82                                                            | 3.82                                                               | 3.82                                    |                                   | Mixed-light 2: kWh per SF       |                                  |  |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 297,500                                              | -                                    | 1,041,250                           | 1,636,250          |                    | 297,500                             | -                                                               | 1,041,250                                                          | 1,636,250                               |                                   | 32                              | 30                               |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 40,162,500                                           | -                                    | 64,557,500                          | 4,090,625          | 108,810,625        | 1,135,379                           | -                                                               | 3,973,827                                                          | 6,244,585                               | 11,353,790                        | Outdoor: kWh per SF             |                                  |  |  |  |  |  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 2,800                           | 135                                                  | 22.7                                 | 62                                  | 2.5                |                    | 3.82                                | 3.82                                                            | 3.82                                                               | 3.82                                    |                                   | 0.5                             | 2                                |  |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 1,400,000                                            | -                                    | 4,900,000                           | 7,700,000          |                    | 1,400,000                           | -                                                               | 4,900,000                                                          | 7,700,000                               |                                   | Accessory Buildings % of Canopy |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 189,000,000                                          | -                                    | 303,800,000                         | 19,250,000         | 512,050,000        | 5,342,960                           | -                                                               | 18,700,360                                                         | 29,386,280                              | 53,429,600                        | Processing 11.8 kWh/SF at 9.6%  |                                  |  |  |  |  |  |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 2,800                           | 135                                                  | 22.7                                 | 62                                  | 2.5                |                    | 3.82                                | 3.82                                                            | 3.82                                                               | 3.82                                    |                                   | Warehouse 6.4 kWh/SF at 22.4%   |                                  |  |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 2,800,000                                            | -                                    | 9,800,000                           | 15,400,000         |                    | 2,800,000                           | -                                                               | 9,800,000                                                          | 15,400,000                              |                                   | Total Project Electric Use      |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 | 378,000,000                                          | -                                    | 607,600,000                         |                    | 1,024,100,000      | 10,685,920                          | -                                                               | 37,400,720                                                         | 58,772,560                              | 106,859,200                       | 1,831,178,937                   | kW Hours                         |  |  |  |  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     | kW Hours           | 1,659,135,625      |                                     |                                                                 |                                                                    | kW Hours                                | 172,043,312                       | 1,831,179                       | Megawatts                        |  |  |  |  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     | Megawatts          | 1,659,136          | Gigawatts                           |                                                                 |                                                                    | Gigawatts                               | 172                               | 1,831                           | Gigawatts                        |  |  |  |  |  |  |
| Solar Panels - Renewable Energy                                                                         |                              |                                 |                                                      |                                      |                                     |                    |                    |                                     |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| 40% of Total Project Use                                                                                |                              |                                 | Use of 350 Watt Solar Panels                         |                                      |                                     |                    |                    | Solar Calculations                  |                                                                 |                                                                    |                                         |                                   |                                 |                                  |  |  |  |  |  |  |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor            | Total Solar Panels | Includes Cultivation & Accessory SF | kWh per SF                                                      | One 350W Solar Panel                                               | % Supplied by Solar Energy              |                                   |                                 |                                  |  |  |  |  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                    |                    |                                     |                                                                 | kWh Year                                                           | S.F. / Panel                            |                                   |                                 |                                  |  |  |  |  |  |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 210                             | 105,000                                              |                                      |                                     |                    |                    |                                     |                                                                 | 574.72                                                             | 17.541                                  | 50%                               | 45%                             | 40%                              |  |  |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 10,145                                               |                                      |                                     |                    | 10,145             | Indoor                              | 138.82                                                          | 0.24                                                               | 0.121                                   | 0.109                             | 0.097                           |                                  |  |  |  |  |  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,190                           | 297,500                                              | -                                    | 1,041,250                           | 1,636,250          |                    | Mixed-light 1                       | 26.52                                                           | 0.05                                                               | 0.023                                   | 0.021                             | 0.018                           |                                  |  |  |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 28,743                                               | -                                    | 47,697                              | 7,193              | 83,633             | Mixed-light 2                       | 65.82                                                           | 0.11                                                               | 0.057                                   | 0.052                             | 0.046                           |                                  |  |  |  |  |  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 2,800                           | 1,400,000                                            | -                                    | 4,900,000                           | 7,700,000          |                    | Outdoor                             | 6.32                                                            | 0.01                                                               | 0.005                                   | 0.005                             | 0.004                           |                                  |  |  |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 135,261                                              | -                                    | 224,457                             | 33,850             | 393,569            | Avg. House                          | 4.518                                                           | 0.01                                                               | 0.004                                   | 0.004                             | 0.003                           |                                  |  |  |  |  |  |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 2,800                           | 2,800,000                                            | -                                    | 9,800,000                           | 15,400,000         |                    | 1,800 SF Nevada County 2016         |                                                                 |                                                                    | Avg. No. Panels for 1,800 SF House @40% |                                   |                                 |                                  |  |  |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 270,522                                              | -                                    | 448,915                             | 67,701             | 787,138            | 43,560                              |                                                                 |                                                                    | 22,355,728                              | Total Square Feet of Solar Panels |                                 |                                  |  |  |  |  |  |  |
| Total Canopy                                                                                            | 45,080,000                   |                                 | Total Solar Panels @ 40%                             |                                      |                                     |                    | 1,274,484          | Total Solar Panel Area @ 40%        |                                                                 |                                                                    | 513                                     | Acres of Solar Panels             |                                 |                                  |  |  |  |  |  |  |

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| Alternative 1E (55% Outdoor-Add Mixed-light 1)                                                          |                              |                                 | Page 2 of 2                                          |                                      | February 16, 2019 by: Plan-aire.com |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|------------------------------------------------------|--------------------------------------|-------------------------------------|-----------------------|------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------|--------------------------------------------|----------------------------------|--|--|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                 |                                                      |                                      |                                     |                       | Cultivation Average Total Employees Per Parcel | Cultivation Only Number of Full Time Employees | Cultivation Number of Full Time Employees Per Permit            | Trimming Only Number of Full Time Employees                        | Trimming Number of Full Time Employees Per Permit | Total Project Number of Full Time Employees | Average Full Time Employees By Parcel Size |                                  |  |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor 1/2 Year Only |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| 2-5 acres                                                                                               | 500                          | 210                             | 0.5                                                  |                                      | 0                                   | 0                     | 0.5                                            | 105                                            |                                                                 | 60                                                                 |                                                   | 165                                         | 0.79                                       |                                  |  |  |
|                                                                                                         |                              |                                 | 210                                                  |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| 5-10 acres                                                                                              | 2,500                        | 1,190                           | 1.5                                                  | 1.25                                 | 1.5                                 | 0.5                   | 1.19                                           | 1,056                                          |                                                                 | 891                                                                |                                                   | 1,947                                       | 1.64                                       |                                  |  |  |
|                                                                                                         |                              |                                 | 1,190                                                | 119                                  | 298                                 | 119                   | 655                                            |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| 10-20 acres                                                                                             | 5,000                        | 2,800                           | 2                                                    | 1.75                                 | 2                                   | 0.75                  | 1.63                                           | 3,500                                          |                                                                 | 4,193                                                              |                                                   | 7,693                                       | 2.75                                       |                                  |  |  |
|                                                                                                         |                              |                                 | 2,800                                                | 280                                  | 700                                 | 280                   | 1540                                           |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Over 20 acres                                                                                           | 10,000                       | 2,800                           | 3                                                    | 2.5                                  | 3                                   | 1.5                   | 2.50                                           | 5,740                                          |                                                                 | 8,385                                                              |                                                   | 14,125                                      | 5.04                                       |                                  |  |  |
|                                                                                                         |                              |                                 | 2,800                                                | 280                                  | 700                                 | 280                   | 1540                                           |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Total Permits                                                                                           |                              | 7,000                           |                                                      |                                      | Total Cultivation Employees         |                       |                                                | 10,401                                         | 1.49                                                            | 13,529                                                             | 1.93                                              | 23,930                                      | 3.42                                       |                                  |  |  |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 | Project Water Use                                                  |                                                   |                                             |                                            |                                  |  |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Conversion                                           | Yield                                |                                     |                       |                                                | Trimming Hours Per Pound                       | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Water Use Gallons Per Permitted Site 6 Gal./Plant | Number of Permits Issued                    | Total Project Gallons Per Year             | Total Project Acre Feet Per Year |  |  |
|                                                                                                         |                              |                                 | 0.51905                                              | Indoor                               | Mixed-light Tier 1                  | Mixed-light Tier 2    | Outdoor                                        |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 210                             |                                                      | 20,102                               | -                                   | -                     | -                                              | 6                                              | 0.29                                                            | 60                                                                 | 5,400                                             | 210                                         | 1,134,000                                  | 3.48                             |  |  |
| Square Feet of Production                                                                               |                              |                                 |                                                      | 367,500                              |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |                                  |  |  |
|                                                                                                         |                              |                                 | 0.29                                                 | -                                    | -                                   | -                     | -                                              |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |                                  |  |  |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 1,190                           |                                                      | 56,955                               | 101,705                             | 48,818                | 89,500                                         | 6                                              | 0.75                                                            | 891                                                                | 27,000                                            | 1,190                                       | 32,130,000                                 | 98.60                            |  |  |
| Square Feet of Production                                                                               |                              |                                 |                                                      | 1,041,250                            | 185,9375                            | 892,500               | 1,636,250                                      |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |                                  |  |  |
|                                                                                                         |                              |                                 | 0.14                                                 | 0.26                                 | 0.12                                | 0.23                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |                                  |  |  |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 2,800                           |                                                      | 268,022                              | 478,610                             | 229,733               | 421,177                                        | 6                                              | 1.50                                                            | 4,193                                                              | 54,000                                            | 2,800                                       | 151,200,000                                | 464.02                           |  |  |
| Square Feet of Production                                                                               |                              |                                 |                                                      | 4,900,000                            | 875,000                             | 4,200,000             | 7,700,000                                      |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |                                  |  |  |
|                                                                                                         |                              |                                 | 0.29                                                 | 0.51                                 | 0.25                                | 0.45                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |                                  |  |  |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 2,800                           |                                                      | 536,043                              | 957,220                             | 459,465               | 842,353                                        | 6                                              | 2.99                                                            | 8,385                                                              | 108,000                                           | 2,800                                       | 302,400,000                                | 928.03                           |  |  |
| Square Feet of Production                                                                               |                              |                                 |                                                      | 9,800,000                            | 17,500,000                          | 8,400,000             | 15,400,000                                     |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |                                  |  |  |
|                                                                                                         |                              |                                 | 0.57                                                 | 1.03                                 | 0.49                                | 0.90                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |                                  |  |  |
| Total Permits                                                                                           |                              | 7,000                           |                                                      | Total Net Production Before Trimming |                                     |                       |                                                | See Table Above for Total Employees            |                                                                 |                                                                    | Total Water Gallons                               |                                             | 486,864,000                                |                                  |  |  |
|                                                                                                         |                              |                                 |                                                      | 4,509,702                            |                                     |                       |                                                | Trimming Employees Only                        |                                                                 | 13,529                                                             | Total Acre Feet                                   |                                             | 1,494.13                                   |                                  |  |  |
| Electric Use for Project                                                                                |                              |                                 | Electric Use kWh per S.F. per Year- Cultivation Only |                                      |                                     |                       |                                                | Electric Use Accessory Buildings               |                                                                 |                                                                    |                                                   |                                             | Electric Use Notes:                        |                                  |  |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor               | Total kW Hours                                 | Indoor                                         | Mixed-light Tier 1                                              | Mixed-light Tier 2                                                 | Outdoor                                           | Total kW Hours                              | Lighting                                   | HVAC                             |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | Indoor: kWh Hours per SF                   |                                  |  |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 210                             | 135                                                  |                                      |                                     |                       |                                                | 3.82                                           | Note: Accessory Structures: 93.85% of Canopy                    |                                                                    |                                                   |                                             | 100                                        | 35                               |  |  |
| Square Feet of Production                                                                               |                              |                                 | 105,000                                              |                                      |                                     |                       |                                                | 105,000                                        | Processing Area: 9.6%, Warehouse: 22.4%                         |                                                                    |                                                   |                                             | Mixed-light 1: kWh per SF                  |                                  |  |  |
|                                                                                                         |                              |                                 | 14,175,000                                           |                                      |                                     |                       | 14,175,000                                     | 400,722                                        | Ag. Build: 36.85%, Immature Plants: 25%                         |                                                                    |                                                   | 400,722                                     | 7.7                                        | 15                               |  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,190                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | Mixed-light 2: kWh per SF                  |                                  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 297,500                                              | 743,750                              | 297,500                             | 1,636,250             |                                                | 297,500                                        | 743,750                                                         | 297,500                                                            | 1,636,250                                         |                                             | 32                                         | 30                               |  |  |
|                                                                                                         |                              |                                 | 40,162,500                                           | 16,883,125                           | 18,445,000                          | 4,090,625             | 79,581,250                                     | 1,135,379                                      | 2,838,448                                                       | 1,135,379                                                          | 6,244,585                                         | 11,353,790                                  | Outdoor: kWh per SF                        |                                  |  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 2,800                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | 0.5                                        | 2                                |  |  |
| Square Feet of Production                                                                               |                              |                                 | 1,400,000                                            | 3,500,000                            | 1,400,000                           | 7,700,000             |                                                | 1,400,000                                      | 3,500,000                                                       | 1,400,000                                                          | 7,700,000                                         |                                             | Accessory Buildings % of Canopy            |                                  |  |  |
|                                                                                                         |                              |                                 | 189,000,000                                          | 79,450,000                           | 86,800,000                          | 19,250,000            | 374,500,000                                    | 5,342,960                                      | 13,357,400                                                      | 5,342,960                                                          | 29,386,280                                        | 53,429,600                                  | Processing 11.8 kWh/SF at 9.6%             |                                  |  |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 2,800                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | Warehouse 6.4 kWh/SF at 22.4%              |                                  |  |  |
| Square Feet of Production                                                                               |                              |                                 | 2,800,000                                            | 7,000,000                            | 2,800,000                           | 15,400,000            |                                                | 2,800,000                                      | 7,000,000                                                       | 2,800,000                                                          | 15,400,000                                        |                                             | Total Project Electric Use                 |                                  |  |  |
|                                                                                                         |                              |                                 | 378,000,000                                          | 158,900,000                          | 173,600,000                         | 38,500,000            | 749,000,000                                    | 10,685,920                                     | 26,714,800                                                      | 10,685,920                                                         | 58,772,560                                        | 106,859,200                                 | 1,389,299,562 kWh Hours                    |                                  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | kW Hours                                       |                                                |                                                                 |                                                                    |                                                   | kW Hours                                    | 172,043,312                                | 1,389,300 Megawatts              |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | Megawatts                                      |                                                |                                                                 |                                                                    |                                                   | Megawatts                                   | 172,043                                    | 1,389 Gigawatts                  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Solar Panels - Renewable Energy                                                                         |                              |                                 | Use of 350 Watt Solar Panels                         |                                      |                                     |                       |                                                | Solar Calculations                             |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Includes Cultivation Canopy & Accessory Buildings                                                       | 40% of Total Project Use     |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor               | Total Solar Panels                             | Includes Cultivation & Accessory SF            | Cultivation kWh per SF                                          | One 350W Solar Panel                                               |                                                   |                                             | % Supplied by Solar Energy                 |                                  |  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 | kWh Year                                                           | S.F. / Panel                                      |                                             | 50%                                        | 40%                              |  |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 210                             | 105,000                                              |                                      |                                     |                       |                                                |                                                |                                                                 | 574.72                                                             | 17.541                                            |                                             |                                            |                                  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 10,145                                               |                                      |                                     |                       | 10,145                                         |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,190                           | 297,500                                              | 743,750                              | 297,500                             | 1,636,250             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 28,743                                               | 13,726                               | 13,628                              | 7,193                 | 63,290                                         |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 2,800                           | 1,400,000                                            | 3,500,000                            | 1,400,000                           | 7,700,000             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 135,261                                              | 64,593                               | 64,131                              | 33,850                | 297,835                                        |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 2,800                           | 2,800,000                                            | 7,000,000                            | 2,800,000                           | 15,400,000            |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 270,522                                              | 129,186                              | 128,261                             | 67,701                | 595,670                                        |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |                                  |  |  |
| Total Canopy                                                                                            | 45,080,000                   |                                 | Total Solar Panels @ 40%                             |                                      |                                     |                       |                                                | Total Solar Panel Area @ 40%                   |                                                                 | 16,961,097                                                         |                                                   | Total Square Feet of Solar Panels           |                                            |                                  |  |  |
|                                                                                                         |                              |                                 | 966,940                                              |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   | 389 Acres of Solar Panels                   |                                            |                                  |  |  |

| Alternative 1F (Add Mixed-light 1, Indoor 3.5)                       |                 |                 | Page 1 of 2          |               |         |                     |                     |                  |                     |                       |                   |                         |                         |                           |              |                 |  |  |  |  |
|----------------------------------------------------------------------|-----------------|-----------------|----------------------|---------------|---------|---------------------|---------------------|------------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|--------------|-----------------|--|--|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                           |                 |                 | Land Information     |               |         | Canopy Information  |                     |                  |                     |                       | 43,560            |                         | AE, AG & FR             | RA-Rural                  |              |                 |  |  |  |  |
| Rural Zoning District (GP Designation)                               | 2 to 4.99 acres | 5 to 9.99 acres | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |              |                 |  |  |  |  |
| Maximum Canopy                                                       | 500 SF          | 2,500 SF        | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 56                  | 154              | 210                 |                       |                   | (35)                    | 76                      | Total Employees           |              |                 |  |  |  |  |
| Permit Allocation                                                    | 3%              | 21%             | 38%                  | 38%           | 100%    | 500 SF              | (48,584)            | 76792.17958      | 28,208              | 0.6                   | 0.07%             |                         |                         | 23,252                    |              |                 |  |  |  |  |
| Total Cultivation Permits                                            | 210             | 1,490           | 2,650                | 2,650         | 7,000   | 5 to 10 acres       | 520                 | 970              | 1,490               |                       |                   | (614)                   | 2,036                   | Electric Use MWh          |              |                 |  |  |  |  |
| AE, AG and FR Parcels with Residences                                | 1,381           | 1,830           | 4,097                | 5,358         | 12,666  | 2,500 SF            | (1,123,607)         | 2424303.279      | 1,300,697           | 29.9                  | 3.27%             |                         |                         | 1,343,450                 |              |                 |  |  |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels | 5.08%           | 6.73%           | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 2,552               | 98               | 2,650               |                       |                   | 2,994                   | 3,234                   | Solar Panels/40%          |              |                 |  |  |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.         | 10.90%          | 14.45%          | 32.35%               | 42.30%        | 100%    | 5,000 SF            | 12,266,842          | 491579.2043      | 12,758,421          | 292.9                 | 32.10%            |                         |                         | 935,029                   |              |                 |  |  |  |  |
|                                                                      |                 |                 |                      |               |         | Over 20 acres       | 2,565               | 85               | 2,650               |                       |                   | 4,630                   | 4,946                   | Water - Acre Feet         |              |                 |  |  |  |  |
| Total AE, AG and FR Zoned Parcels                                    | 6,836           | 8,228           | 5,698                | 6,445         | 27,207  | 10,000 SF           | 24,808,511          | 845744.6809      | 25,654,255          | 589                   | 64.55%            |                         |                         | 1,444.41                  |              |                 |  |  |  |  |
| % of Total AE, AG & FR Parcels                                       | 25.13%          | 30.24%          | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 35,903,161          | 3,838,419        | 39,741,581          | 912.3                 | 100.00%           | 2,835                   | 1,521                   | 2060 Market Share         |              |                 |  |  |  |  |
| RA-Rural Parcels with Residences                                     | 1,010           | 1,191           | 152                  | 171           | 2,524   |                     |                     |                  |                     |                       |                   |                         |                         | Disturbed Area            | Square Feet  | Acres           |  |  |  |  |
| Total RA-Rural Parcels Est.                                          | 2,170           | 2,558           | 327                  | 367           | 5,422   | Production SF       |                     |                  |                     |                       |                   |                         |                         | Canopy                    | 43,580,000   | 1,000.5         |  |  |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                | 2,391           | 3,021           | 4,249                | 5,529         | 15,190  |                     |                     |                  |                     |                       |                   |                         |                         | 100%                      |              |                 |  |  |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                  | 9,006           | 10,786          | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                  | 367,500             |                       | 0.46%             | Accessory Space         | 40,899,830              | 938.9                     |              |                 |  |  |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones        | 0.83%           | 6.32%           | 44.78%               | 39.80%        | 20.93%  | Indoor              |                     |                  | 15,216,250          |                       | 19.09%            | 93.85%                  |                         |                           |              |                 |  |  |  |  |
| Permit Allocation - Total Number of Parcels AE, AG and FR zones      | 56              | 520             | 2,552                | 2,565         | 5,694   | Total Indoor        |                     |                  | 15,583,750          |                       |                   | Other Site Work         | 8,716,000               | 200.1                     |              |                 |  |  |  |  |
| Permits with Res. AE, AG and FR zones                                | 15%             | 81%             | 65%                  | 49%           | 55%     |                     |                     |                  |                     |                       |                   |                         |                         | 20%                       |              |                 |  |  |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                    | 73%             | 65%             | 4%                   | 3%            | 20%     | Mixed-light 1       |                     |                  | 27,171,875          |                       | 34.09%            | Subtotal                | 93,195,830              | 2,139.5                   |              |                 |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones | 154             | 970             | 98                   | 85            | 1,306   | Mixed-light 2       |                     |                  | 13,042,500          |                       | 16.36%            | 213.85%                 |                         |                           |              |                 |  |  |  |  |
| Total Permits Issued All zones                                       | 210             | 1,490           | 2,650                | 2,650         | 7,000   | Outdoor             |                     |                  | 23,911,250          |                       | 30.00%            | Solar Panels            |                         |                           |              |                 |  |  |  |  |
|                                                                      |                 |                 |                      |               |         |                     |                     |                  |                     |                       |                   |                         |                         | 37.64%                    | Disturbed SF | Disturbed Acres |  |  |  |  |
|                                                                      |                 |                 |                      |               |         | Total Production SF |                     |                  | 79,709,375          |                       | 100.00%           | 251.49%                 | 109,597,177             | 2,516.0                   |              |                 |  |  |  |  |

| Alternative 1F (Add Mixed-light 1, Indoor 3.5) | Cannabis Production Area |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
|------------------------------------------------|--------------------------|----------------------|---------------------------|---------------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: <i>Plan-aire.com</i>     | 2 Acres to 5 Acres       |                      |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres                            |                      |                           | Over 20 Acres |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
| AG, AE and FR zones                            | % of Canopy              | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet              | 500                      |                      |                           | 2,500               |                        |                           | 5,000                                           |                      |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                        | 100%                     |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                        | 210                      | 3.5                  | 367,500                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           | 367,500                              | 38,728                              |
| Total Square Feet of Canopy - Annually         |                          |                      | 367,500                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| 2,500 Square Feet                              |                          |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                        |                          |                      |                           | 1,490               |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                        |                          |                      |                           | 10.00%              | 3.5                    | 1,303,750                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                  |                          |                      |                           | 25.00%              | 3                      | 2328125                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                  |                          |                      |                           | 10.00%              | 3                      | 1,117,500                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                       |                          |                      |                           | 55.00%              | 1                      | 2,048,750                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually         |                          |                      |                           | 100.00%             |                        | 6,798,125                 |                                                 |                      |                           |               |                      |                           | 6,798,125                            | 716,397                             |
| 5,000 Square Feet                              |                          |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                        |                          |                      |                           |                     |                        |                           | 2,650                                           |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                        |                          |                      |                           |                     |                        |                           | 10.00%                                          | 3.5                  | 4,637,500                 |               |                      |                           |                                      |                                     |
| Mixed Light 1                                  |                          |                      |                           |                     |                        |                           | 25.00%                                          | 2.5                  | 8,281,250                 |               |                      |                           |                                      |                                     |
| Mixed Light 2                                  |                          |                      |                           |                     |                        |                           | 10.00%                                          | 3                    | 3,975,000                 |               |                      |                           |                                      |                                     |
| Outdoors                                       |                          |                      |                           |                     |                        |                           | 55.00%                                          | 1                    | 7,287,500                 |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually         |                          |                      |                           |                     |                        |                           | 100.00%                                         |                      | 24,181,250                |               |                      |                           | 24,181,250                           | 2,548,257                           |
| 10,000 Square Feet                             |                          |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                        |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 2,650         |                      |                           |                                      |                                     |
| Indoors                                        |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 10.00%        | 3.5                  | 9,275,000                 |                                      |                                     |
| Mixed Light 1                                  |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 25.00%        | 2.5                  | 16,562,500                |                                      |                                     |
| Mixed Light 2                                  |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 10.00%        | 3                    | 7,950,000                 |                                      |                                     |
| Outdoors                                       |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 55.00%        | 1                    | 14,575,000                |                                      |                                     |
| Total Square Feet of Canopy - Annually         |                          |                      |                           |                     |                        |                           |                                                 |                      |                           | 100.00%       |                      | 48,362,500                | 48,362,500                           | 5,096,513                           |
| Gross Production Before Adjustments            |                          | 8,399,894            | % of 2060 Market Share    | 229.3%              | % of 2040 Market Share | 250.8%                    | % of 2016 Production Level                      | 323.0%               |                           |               |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                   | -40.68%                  | 4,982,817            | Net Potential Crop        |                     | Total Parcels          | 7,000                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |               |                      |                           | 79,709,375                           | 8,399,894                           |
| Loss Before Trimming                           | -12.50%                  | 4,359,965            | Net Production            |                     | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      |                           |               |                      |                           | 3,810,108,125                        |                                     |
| Adjustment for Lab Testing                     | -12.50%                  | 3,814,970            | Total Saleable Pounds     |                     | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      |                           |               |                      |                           | 8,399,894                            |                                     |

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cont'd

| Alternative 1F (Add Mixed-light 1, Indoor 3.5)                                                          |                              |                                                      | Page 2 of 2 |                    | February 16, 2019 by: Plan-aire.com |                    |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
|---------------------------------------------------------------------------------------------------------|------------------------------|------------------------------------------------------|-------------|--------------------|-------------------------------------|--------------------|----------------------------------|-------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|----------------------------|-----------------------------------|----------------------------------|------------|--|--|--|--|--|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                                      |             |                    |                                     |                    |                                  | Cultivation                         | Cultivation                                                     | Trimming                                                           | Trimming                                          | Total Project              |                                   | Average                          |            |  |  |  |  |  |
| * Updated Feb. 17, 2018                                                                                 |                              |                                                      |             |                    |                                     |                    |                                  | Average Total                       | Number of                                                       | Only                                                               | Number of                                         | Number of                  | Full Time                         | Employees                        | By Parcel  |  |  |  |  |  |
| Parcel Size                                                                                             | Area                         | Total Project                                        | Indoor      | Mixed-light        | Mixed-light                         | Outdoor            | Employees                        | Per Parcel                          | Full Time                                                       | Number of                                                          | Full Time                                         |                            |                                   |                                  |            |  |  |  |  |  |
| Square Feet                                                                                             | Permits                      |                                                      |             | Tier 1             | Tier 2                              | 1/2 Year Only      | Per Parcel                       |                                     | Employees                                                       | Per Permit                                                         | Employees                                         |                            |                                   |                                  | Size       |  |  |  |  |  |
| 2-5 acres                                                                                               | 500                          | 210                                                  | 0.5         |                    | 0                                   | 0                  | 0.5                              | 105                                 |                                                                 |                                                                    | 60                                                |                            |                                   | 165                              | 0.79       |  |  |  |  |  |
|                                                                                                         |                              | 210                                                  |             |                    |                                     |                    |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| 5-10 acres                                                                                              | 2,500                        | 1,490                                                | 1.5         | 1.25               | 1.5                                 | 0.5                | 1.19                             | 1,322                               |                                                                 |                                                                    | 1,116                                             |                            |                                   | 2,438                            | 1.64       |  |  |  |  |  |
|                                                                                                         |                              | 1,490                                                | 149         | 373                | 149                                 | 820                |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| 10-20 acres                                                                                             | 5,000                        | 2,650                                                | 2           | 1.75               | 2                                   | 0.75               | 1.63                             | 3,313                               |                                                                 |                                                                    | 3,968                                             |                            |                                   | 7,281                            | 2.75       |  |  |  |  |  |
|                                                                                                         |                              | 2,650                                                | 265         | 663                | 265                                 | 1458               |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| Over 20 acres                                                                                           | 10,000                       | 2,650                                                | 3           | 2.5                | 3                                   | 1.5                | 2.50                             | 5,433                               |                                                                 |                                                                    | 7,936                                             |                            |                                   | 13,369                           | 5.04       |  |  |  |  |  |
|                                                                                                         |                              | 2,650                                                | 265         | 663                | 265                                 | 1458               |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| Total Permits                                                                                           |                              | 7,000                                                |             |                    |                                     |                    |                                  | Total Cultivation Employees         | 10,172                                                          | 1.45                                                               | 13,080                                            | 1.87                       |                                   | 23,252                           | 3.32       |  |  |  |  |  |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                                      |             |                    |                                     |                    |                                  |                                     |                                                                 | Project Water Use                                                  |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits                      | Conversion  | Yield              |                                     |                    |                                  | Trimming Hours Per Pound            | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Water Use Gallons Per Permitted Site 6 Gal./Plant | Number of Permits Issued   | Total Project Gallons Per Year    | Total Project Acre Feet Per Year | 325,851.43 |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 0.51905     | Indoor             | Mixed-light Tier 1                  | Mixed-light Tier 2 | Outdoor                          |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 210                                                  |             | 20,102             | -                                   | -                  | -                                | 6                                   | 0.29                                                            | 60                                                                 | 5,400                                             | 210                        | 1,134,000                         | 3.48                             |            |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                                      | 367,500     |                    |                                     |                    |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 0.29        | -                  | -                                   | -                  | -                                |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 1,490                                                |             | 71,313             | 127,344                             | 61,125             | 112,063                          | 6                                   | 0.75                                                            | 1,116                                                              | 27,000                                            | 1,490                      | 40,230,000                        | 123.46                           |            |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                                      | 1,303,750   | 232,812            | 1,117,500                           | 2,048,750          |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 0.14        | 0.26               | 0.12                                | 0.23               |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 2,650                                                |             | 253,663            | 452,970                             | 217,426            | 398,614                          | 6                                   | 1.50                                                            | 3,968                                                              | 54,000                                            | 2,650                      | 143,100,000                       | 439.16                           |            |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                                      | 4,637,500   | 828,125            | 3,975,000                           | 7,287,500          |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 0.29        | 0.51               | 0.25                                | 0.45               |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 2,650                                                |             | 507,326            | 905,940                             | 434,851            | 797,227                          | 6                                   | 2.99                                                            | 7,936                                                              | 108,000                                           | 2,650                      | 286,200,000                       | 878.31                           |            |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                                      | 9,275,000   | 16,562,500         | 7,950,000                           | 14,575,000         |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 0.57        | 1.03               | 0.49                                | 0.90               |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| Total Permits                                                                                           |                              | 7,000                                                |             |                    |                                     |                    |                                  | See Table Above for Total Employees |                                                                 |                                                                    | Total Water Gallons                               |                            | 470,664,000                       |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      |             |                    |                                     |                    |                                  | Trimming Employees Only             | 13,080                                                          |                                                                    |                                                   |                            | Total Acre Feet                   | 1,444.41                         |            |  |  |  |  |  |
| Electric Use for Project                                                                                |                              | Electric Use kWh per S.F. per Year- Cultivation Only |             |                    |                                     |                    | Electric Use Accessory Buildings |                                     |                                                                 |                                                                    |                                                   | Electric Use Notes:        |                                   |                                  |            |  |  |  |  |  |
| Cultivation Area Square Feet                                                                            |                              |                                                      | Indoor      | Mixed-light Tier 1 | Mixed-light Tier 2                  | Outdoor            | Total kW Hours                   | Indoor                              | Mixed-light Tier 1                                              | Mixed-light Tier 2                                                 | Outdoor                                           | Total kW Hours             | Lighting                          | HVAC                             |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      |             |                    |                                     |                    |                                  |                                     |                                                                 |                                                                    |                                                   |                            | Indoor: kWh Hours per SF          |                                  |            |  |  |  |  |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 210                                                  | 135         |                    |                                     |                    |                                  | 3.82                                | Note: Accessory Structures: 93.85% of Canopy                    |                                                                    |                                                   |                            | 100                               | 35                               |            |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                                      | 105,000     |                    |                                     |                    |                                  | 105,000                             | Processing Area: 9.6%, Warehouse: 22.4%                         |                                                                    |                                                   |                            | Mixed-light 1: kWh per SF         |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 14,175,000  |                    |                                     |                    | 14,175,000                       | 400,722                             | Ag. Build: 36.85%, Immature Plants: 25%                         |                                                                    |                                                   | 400,722                    | 7.7                               | 15                               |            |  |  |  |  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,490                                                | 135         | 22.7               | 62                                  | 2.5                |                                  | 3.82                                | 3.82                                                            | 3.82                                                               | 3.82                                              |                            | Mixed-light 2: kWh per SF         |                                  |            |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                                      | 372,500     | 931,250            | 372,500                             | 2,048,750          |                                  | 372,500                             | 931,250                                                         | 372,500                                                            | 2,048,750                                         |                            | 32                                | 30                               |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 50,287,500  | 21,139,375         | 23,095,000                          | 5,121,875          | 99,643,750                       | 1,421,609                           | 3,554,023                                                       | 1,421,609                                                          | 7,818,850                                         | 14,216,090                 | Outdoor: kWh per SF               |                                  |            |  |  |  |  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 2,650                                                | 135         | 22.7               | 62                                  | 2.5                |                                  | 3.82                                | 3.82                                                            | 3.82                                                               | 3.82                                              |                            | 0.5                               | 2                                |            |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                                      | 1,325,000   | 3,312,500          | 1,325,000                           | 7,287,500          |                                  | 1,325,000                           | 3,312,500                                                       | 1,325,000                                                          | 7,287,500                                         |                            | Accessory Buildings % of Canopy   |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 178,875,000 | 75,193,750         | 82,150,000                          | 18,218,750         | 354,437,500                      | 5,056,730                           | 12,641,825                                                      | 5,056,730                                                          | 27,812,015                                        | 50,567,300                 | Processing 11.8 kWh/SF at 9.6%    |                                  |            |  |  |  |  |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 2,650                                                | 135         | 22.7               | 62                                  | 2.5                |                                  | 3.82                                | 3.82                                                            | 3.82                                                               | 3.82                                              |                            | Warehouse 6.4 kWh/SF at 22.4%     |                                  |            |  |  |  |  |  |
| Square Feet of Production                                                                               |                              |                                                      | 2,650,000   | 6,625,000          | 2,650,000                           | 14,575,000         |                                  | 2,650,000                           | 6,625,000                                                       | 2,650,000                                                          | 14,575,000                                        |                            | Total Project Electric Use        |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      | 357,750,000 | 150,387,500        | 164,300,000                         | 36,437,500         | 708,875,000                      | 10,113,460                          | 25,283,650                                                      | 10,113,460                                                         | 55,624,030                                        | 101,134,600                | 1,343,449,962 kWh Hours           |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      |             |                    |                                     |                    | kW Hours 1,177,131,250           |                                     |                                                                 |                                                                    |                                                   |                            | kW Hours 166,318,712              | 1,343,450 Megawatts              |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      |             |                    |                                     |                    | Megawatts 1,177,131              |                                     |                                                                 |                                                                    |                                                   |                            | Gigawatts 166                     | 1,343 Gigawatts                  |            |  |  |  |  |  |
| Solar Panels - Renewable Energy                                                                         |                              | 40% of Total Project Use                             |             |                    |                                     |                    | Use of 350 Watt Solar Panels     |                                     |                                                                 |                                                                    |                                                   | Solar Calculations         |                                   |                                  |            |  |  |  |  |  |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                              |                                                      | Indoor      | Mixed-light Tier 1 | Mixed-light Tier 2                  | Outdoor            | Total Solar Panels               | Includes Cultivation & Accessory SF | kWh per SF                                                      | One 350W Solar Panel                                               |                                                   | % Supplied by Solar Energy |                                   |                                  |            |  |  |  |  |  |
|                                                                                                         |                              |                                                      |             |                    |                                     |                    |                                  |                                     |                                                                 | kWh Year                                                           | S.F. / Panel                                      | 50%                        | 45%                               | 40%                              |            |  |  |  |  |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 210                                                  | 105,000     |                    |                                     |                    |                                  | Indoor                              | 138.82                                                          | 0.24                                                               | 17.541                                            | 0.121                      | 0.109                             | 0.097                            |            |  |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                                      | 10,145      |                    |                                     |                    | 10,145                           | Mixed-light 1                       | 26.52                                                           | 0.05                                                               |                                                   | 0.023                      | 0.021                             | 0.018                            |            |  |  |  |  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,490                                                | 372,500     | 931,250            | 372,500                             | 2,048,750          |                                  | Mixed-light 2                       | 65.82                                                           | 0.11                                                               |                                                   | 0.057                      | 0.052                             | 0.046                            |            |  |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                                      | 35,989      | 17,186             | 17,063                              | 9,007              | 79,245                           | Outdoor                             | 6.32                                                            | 0.01                                                               |                                                   | 0.005                      | 0.005                             | 0.004                            |            |  |  |  |  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 2,650                                                | 1,325,000   | 3,312,500          | 1,325,000                           | 7,287,500          |                                  | Avg. House                          | 4.518                                                           | 0.01                                                               |                                                   | 0.004                      | 0.004                             | 0.003                            |            |  |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                                      | 128,015     | 61,133             | 60,695                              | 32,037             | 281,880                          | 1,800 SF Nevada County 2016         |                                                                 |                                                                    |                                                   |                            |                                   |                                  | 5.66       |  |  |  |  |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 2,650                                                | 2,650,000   | 6,625,000          | 2,650,000                           | 14,575,000         |                                  |                                     |                                                                 |                                                                    |                                                   |                            |                                   |                                  |            |  |  |  |  |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                                      | 256,030     | 122,266            | 121,390                             | 64,074             | 563,759                          | 43,560                              |                                                                 |                                                                    |                                                   | 16,401,347                 | Total Square Feet of Solar Panels |                                  |            |  |  |  |  |  |
| Total Canopy                                                                                            | 43,580,000                   |                                                      |             |                    |                                     |                    | 935,029                          | Total Solar Panel Area @ 40%        |                                                                 |                                                                    |                                                   | 377                        | Acres of Solar Panels             |                                  |            |  |  |  |  |  |

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| Alternative 2A (5,250 Permits - 55% Outdoor)                              |                 |                  |                      |               |         | Page 1 of 2         |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |  |  |
|---------------------------------------------------------------------------|-----------------|------------------|----------------------|---------------|---------|---------------------|---------------------|------------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|----------|--|--|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 | Land Information |                      |               |         |                     | Canopy Information  |                  |                     |                       |                   | 43,560                  |                         | AE, AG & FR               | RA-Rural |  |  |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres  | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |          |  |  |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF         | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 211                 | 574              | 785                 |                       |                   | (132)                   | 284                     | Total Employees           |          |  |  |  |  |
| Permit Allocation                                                         | 15%             | 30%              | 25%                  | 30%           | 100%    | 500 SF              | (181,613)           | 287056.4808      | 105,444             | 2.4                   | 0.46%             |                         |                         | 14,753                    |          |  |  |  |  |
| Total Cultivation Permits                                                 | 785             | 1,575            | 1,315                | 1,575         | 5,250   | 5 to 10 acres       | 550                 | 1,025            | 1,575               |                       |                   | (649)                   | 2,152                   | Electric Use MWh          |          |  |  |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830            | 4,097                | 5,358         | 12,666  | 2,500 SF            | (1,187,705)         | 2562602.459      | 1,374,898           | 31.6                  | 5.96%             |                         |                         | 857,236                   |          |  |  |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%            | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 1,266               | 49               | 1,315               |                       |                   | 1,486                   | 1,605                   | Solar Panels/40%          |          |  |  |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%           | 32.35%               | 42.30%        | 100%    | 5,000 SF            | 6,087,131           | 243934.5863      | 6,331,065           | 145.3                 | 27.46%            |                         |                         | 596,628                   |          |  |  |  |  |
|                                                                           |                 |                  |                      |               |         | Over 20 acres       | 1,525               | 50               | 1,575               |                       |                   | 2,752                   | 2,940                   | Water - Acre Feet         |          |  |  |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228            | 5,698                | 6,445         | 27,207  | 10,000 SF           | 14,744,681          | 502659.5745      | 15,247,340          | 350                   | 66.12%            |                         |                         | 883.45                    |          |  |  |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%           | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 19,462,494          | 3,596,253        | 23,058,747          | 529.4                 | 100.00%           | 1,537                   | 1,425                   | 2060 Market Share         |          |  |  |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191            | 152                  | 171           | 2,524   |                     |                     |                  |                     |                       |                   |                         | Disturbed Area          | Square Feet               | Acres    |  |  |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558            | 327                  | 367           | 5,422   | Production SF       |                     |                  |                     |                       |                   |                         | Canopy                  | 26,655,000                | 611.9    |  |  |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021            | 4,249                | 5,529         | 15,190  |                     |                     |                  |                     |                       |                   |                         | 100%                    |                           |          |  |  |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786           | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                  | 1,373,750           |                       | 2.79%             | Accessory Space         | 25,015,718              | 574.3                     |          |  |  |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 3.08%           | 6.68%            | 22.22%               | 23.66%        | 13.05%  | Indoor              |                     |                  | 9,191,875           |                       | 18.64%            | 93.85%                  |                         |                           |          |  |  |  |  |
|                                                                           |                 |                  |                      |               |         | Total Indoor        |                     |                  | 10,565,625          |                       |                   | Other Site Work         | 5,331,000               | 122.4                     |          |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 211             | 550              | 1,266                | 1,525         | 3,552   |                     |                     |                  |                     |                       |                   |                         | 20%                     |                           |          |  |  |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 73%             | 65%              | 4%                   | 3%            | 20%     | Mixed-light 1       |                     |                  | 16,414,063          |                       | 33.29%            | Subtotal                | 57,001,718              | 1,308.6                   |          |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 574             | 1,025            | 49                   | 50            | 1,698   | Mixed-light 2       |                     |                  | 7,878,750           |                       | 15.98%            | 213.85%                 |                         |                           |          |  |  |  |  |
|                                                                           | 57%             | 86%              | 32%                  | 29%           | 67%     | Outdoor             |                     |                  | 14,444,375          |                       | 29.30%            | Solar Panels            | 10,465,457              | 240.3                     |          |  |  |  |  |
| Total Permits Issued All zones                                            | 785             | 1,575            | 1,315                | 1,575         | 5,250   |                     |                     |                  | 49,302,813          |                       | 100.00%           | 39.26%                  | Disturbed SF            | Disturbed Acres           |          |  |  |  |  |
|                                                                           |                 |                  |                      |               |         | Total Production SF |                     |                  |                     |                       |                   | 253.11%                 | 67,467,174              | 1,548.8                   |          |  |  |  |  |

| Alternative 2A (5,250 Permits - 55% Outdoor) |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
|----------------------------------------------|--|--------------------|------------------------|---------------------------|---------------------|------------------------|---------------------------|----------------------|-------------------------------------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com          |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Cannabis Production Area                     |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
| AG, AE and FR zones                          |  | 2 Acres to 5 Acres |                        |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres |                                                 |                           | Over 20 Acres |                      |                           |                                      |                                     |
|                                              |  | % of Canopy        | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy          | Grow Cycles per Year                            | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet            |  | 500                |                        |                           | 2,500               |                        |                           | 5,000                |                                                 |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                      |  | 100%               |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  | 785                | 3.5                    | 1,373,750                 |                     |                        |                           |                      |                                                 |                           |               |                      |                           | 1,373,750                            | 144,768                             |
| Total Square Feet of Canopy - Annually       |  |                    |                        | 1,373,750                 |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| 2,500 Square Feet                            |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                        | 1,575                     |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                        | 10.00%                    | 3.5                 | 1,378,125              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                        | 25.00%                    | 3                   | 246,093.75             |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                        | 10.00%                    | 3                   | 1,181,250              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                        | 55.00%                    | 1                   | 2,165,625              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                        | 100.00%                   |                     | 7,185,938              |                           |                      |                                                 |                           |               |                      |                           | 7,185,938                            | 757,265                             |
| 5,000 Square Feet                            |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                        |                           |                     |                        |                           | 1,315                |                                                 |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                        | 10.00%                    | 3.5                 | 2,301,250              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                        | 25.00%                    | 2.5                 | 4,109,375              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                        | 10.00%                    | 3                   | 1,972,500              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                        | 55.00%                    | 1                   | 3,616,250              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                        | 100.00%                   |                     | 11,999,375             |                           |                      |                                                 |                           |               |                      |                           | 11,999,375                           | 1,264,512                           |
| 10,000 Square Feet                           |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           | 1,575         |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                        | 10.00%                    | 3.5                 | 5,512,500              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                        | 25.00%                    | 2.5                 | 9,843,750              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                        | 10.00%                    | 3                   | 4,725,000              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                        | 55.00%                    | 1                   | 8,662,500              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                        | 100.00%                   |                     | 28,743,750             |                           |                      |                                                 |                           |               |                      |                           | 28,743,750                           | 3,029,060                           |
| Gross Production Before Adjustments          |  | 5,195,605          | % of 2060 Market Share |                           | 141.8%              | % of 2040 Market Share |                           | 155.1%               | % of 2016 Production Level                      |                           | 199.8%        |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                 |  | -40.68%            | 3,082,033              | Net Potential Crop        |                     | Total Parcels          |                           | 5,250                | Total Project: Square Feet Of Canopy - Annually |                           | 49,302,813    |                      |                           |                                      |                                     |
| Loss Before Trimming                         |  | -12.50%            | 2,696,779              | Net Production            |                     | Grams per Square Feet  |                           | 47.8                 | Total Grams of Production                       |                           | 2,356,674,438 |                      |                           |                                      |                                     |
| Adjustment for Lab Testing                   |  | -12.50%            | 2,359,681              | Total Saleable Pounds     |                     | Grams per Pound        |                           | 453.59               | Total Pounds of Production                      |                           | 5,195,605     |                      |                           |                                      |                                     |

| Alternative 2A (5,250 Permits - 55% Outdoor)                                                            |                              |                                 | Page 2 of 2                                          |                                      | February 16, 2019 by: Plan-aire.com |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|------------------------------------------------------|--------------------------------------|-------------------------------------|-----------------------|------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------|--------------------------------------------|--|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                 |                                                      |                                      |                                     |                       | Cultivation Average Total Employees Per Parcel | Cultivation Only Number of Full Time Employees | Cultivation Number of Full Time Employees Per Permit            | Trimming Only Number of Full Time Employees                        | Trimming Number of Full Time Employees Per Permit | Total Project Number of Full Time Employees | Average Full Time Employees By Parcel Size |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor 1/2 Year Only |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 2-5 acres                                                                                               | 500                          | 785                             | 0.5                                                  |                                      | 0                                   | 0                     | 0.5                                            | 393                                            |                                                                 | 225                                                                |                                                   | 618                                         | 0.79                                       |  |
|                                                                                                         |                              |                                 | 785                                                  |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 5-10 acres                                                                                              | 2,500                        | 1,575                           | 1.5                                                  | 1.25                                 | 1.5                                 | 0.5                   | 1.19                                           | 1,398                                          |                                                                 | 1,179                                                              |                                                   | 2,577                                       | 1.64                                       |  |
|                                                                                                         |                              |                                 | 1,575                                                | 394                                  | 158                                 | 866                   |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 10-20 acres                                                                                             | 5,000                        | 1,315                           | 2                                                    | 1.75                                 | 2                                   | 0.75                  | 1.63                                           | 1,644                                          |                                                                 | 1,969                                                              |                                                   | 3,613                                       | 2.75                                       |  |
|                                                                                                         |                              |                                 | 1,315                                                | 329                                  | 132                                 | 723                   |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Over 20 acres                                                                                           | 10,000                       | 1,575                           | 3                                                    | 2.5                                  | 3                                   | 1.5                   | 2.50                                           | 3,229                                          |                                                                 | 4,717                                                              |                                                   | 7,945                                       | 5.04                                       |  |
|                                                                                                         |                              |                                 | 1,575                                                | 394                                  | 158                                 | 866                   |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Total Permits                                                                                           |                              | 5,250                           |                                                      |                                      |                                     |                       | Total Cultivation Employees                    | 6,663                                          | 1.27                                                            | 8,090                                                              | 1.54                                              | 14,753                                      | 2.81                                       |  |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Conversion                                           | Yield                                |                                     |                       |                                                | Trimming Hours Per Pound                       | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Project Water Use                                 |                                             |                                            |  |
|                                                                                                         |                              |                                 | 0.51905                                              | Indoor                               | Mixed-light Tier 1                  | Mixed-light Tier 2    | Outdoor                                        |                                                |                                                                 |                                                                    | Water Use Gallons Per Permitted Site 6 Gal./Plant | Number of Permits Issued                    | Total Project Gallons Per Year             |  |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 785                             |                                                      | 75,142                               | -                                   | -                     | -                                              | 6                                              | 0.29                                                            | 225                                                                | 5,400                                             | 785                                         | 4,239,000                                  |  |
| Square Feet of Production                                                                               |                              |                                 |                                                      | 1,373,750                            |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.29                                                 | -                                    | -                                   | -                     | -                                              |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 1,575                           |                                                      | 75,381                               | 134,609                             | 64,612                | 118,456                                        | 6                                              | 0.75                                                            | 1,179                                                              | 27,000                                            | 1,575                                       | 42,525,000                                 |  |
| Square Feet of Production                                                                               |                              |                                 |                                                      | 1,378,125                            | 2,460,937.5                         | 1,181,250             | 2,165,625                                      |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.14                                                 | 0.26                                 | 0.12                                | 0.23                  | 0.23                                           |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 1,315                           |                                                      | 125,874                              | 224,776                             | 107,892               | 197,803                                        | 6                                              | 1.50                                                            | 1,969                                                              | 54,000                                            | 1,315                                       | 71,010,000                                 |  |
| Square Feet of Production                                                                               |                              |                                 |                                                      | 2,301,250                            | 4,109,375                           | 1,972,500             | 3,616,250                                      |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.29                                                 | 0.51                                 | 0.25                                | 0.45                  | 0.45                                           |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 1,575                           |                                                      | 301,524                              | 538,436                             | 258,449               | 473,824                                        | 6                                              | 2.99                                                            | 4,717                                                              | 108,000                                           | 1,575                                       | 170,100,000                                |  |
| Square Feet of Production                                                                               |                              |                                 |                                                      | 5,512,500                            | 9,843,750                           | 4,725,000             | 8,662,500                                      |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.57                                                 | 1.03                                 | 0.49                                | 0.90                  | 0.90                                           |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| Total Permits                                                                                           |                              | 5,250                           |                                                      | Total Net Production Before Trimming |                                     |                       |                                                | 2,696,779                                      | See Table Above for Total Employees                             | 8,090                                                              | Total Water Gallons                               |                                             | 287,874,000                                |  |
|                                                                                                         |                              |                                 |                                                      | Total Net Production Before Trimming |                                     |                       |                                                | 2,696,779                                      | Trimming Employees Only                                         | 8,090                                                              |                                                   |                                             | Total Acre Feet                            |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | 883.45                                     |  |
| Electric Use for Project                                                                                |                              | Cultivation Area Square Feet    | Electric Use kWh per S.F. per Year- Cultivation Only |                                      |                                     |                       |                                                | Electric Use Accessory Buildings               |                                                                 |                                                                    |                                                   | Electric Use Notes:                         |                                            |  |
|                                                                                                         |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor               | Total kW Hours                                 | Indoor                                         | Mixed-light Tier 1                                              | Mixed-light Tier 2                                                 | Outdoor                                           | Total kW Hours                              | Lighting Indoor: kW Hours per SF           |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 785                             | 135                                                  |                                      |                                     |                       |                                                | 3.82                                           | Note: Accessory Structures: 93.85% of Canopy                    |                                                                    |                                                   |                                             | 100                                        |  |
| Square Feet of Production                                                                               |                              |                                 | 392,500                                              |                                      |                                     |                       | 392,500                                        | 392,500                                        | Processing Area: 9.6%, Warehouse: 22.4%                         |                                                                    |                                                   |                                             | 35                                         |  |
|                                                                                                         |                              |                                 | 52,987,500                                           |                                      |                                     |                       | 52,987,500                                     | 1,497,937                                      | Ag. Build: 36.85%, Immature Plants: 25%                         |                                                                    |                                                   |                                             | Mixed-light 1: kWh per SF                  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,575                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | 7.7                                        |  |
| Square Feet of Production                                                                               |                              |                                 | 393,750                                              | 984,375                              | 393,750                             | 2,165,625             |                                                | 393,750                                        | 984,375                                                         | 393,750                                                            | 2,165,625                                         |                                             | 15                                         |  |
|                                                                                                         |                              |                                 | 53,156,250                                           | 22,345,313                           | 24,412,500                          | 5,414,063             | 105,328,125                                    | 1,502,708                                      | 3,756,769                                                       | 1,502,708                                                          | 8,264,891                                         | 15,027,075                                  | Mixed-light 2: kWh per SF                  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,315                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | 32                                         |  |
| Square Feet of Production                                                                               |                              |                                 | 657,500                                              | 1,643,750                            | 657,500                             | 3,616,250             |                                                | 657,500                                        | 1,643,750                                                       | 657,500                                                            | 3,616,250                                         |                                             | 30                                         |  |
|                                                                                                         |                              |                                 | 88,762,500                                           | 37,313,125                           | 40,765,000                          | 9,040,625             | 175,881,250                                    | 2,509,283                                      | 6,273,208                                                       | 2,509,283                                                          | 13,801,057                                        | 25,092,830                                  | Outdoor: kWh per SF                        |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,575                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | 0.5                                        |  |
| Square Feet of Production                                                                               |                              |                                 | 1,575,000                                            | 3,937,500                            | 1,575,000                           | 8,662,500             |                                                | 1,575,000                                      | 3,937,500                                                       | 1,575,000                                                          | 8,662,500                                         |                                             | 2                                          |  |
|                                                                                                         |                              |                                 | 212,625,000                                          | 89,381,250                           | 97,650,000                          | 21,656,250            | 421,312,500                                    | 6,010,830                                      | 15,027,075                                                      | 6,010,830                                                          | 33,059,565                                        | 60,108,300                                  | Accessory Buildings % of Canopy            |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | kW Hours                                       |                                                |                                                                 |                                                                    |                                                   |                                             | Processing 11.8 kWh/SF at 9.6%             |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | Warehouse 6.4 kWh/SF at 22.4%              |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | Megawatts                                      |                                                |                                                                 |                                                                    |                                                   |                                             | Total Project Electric Use                 |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | 755,509                                        |                                                |                                                                 |                                                                    |                                                   |                                             | 857,236                                    |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | 857                                        |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | Gigawatts                                      |                                                |                                                                 |                                                                    |                                                   |                                             | Megawatts                                  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | Gigawatts                                  |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Solar Panels - Renewable Energy                                                                         |                              | 40% of Total Project Use        | Use of 350 Watt Solar Panels                         |                                      |                                     |                       | Solar Calculations                             |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor               | Includes Cultivation & Accessory SF            | One 350W Solar Panel                           |                                                                 | % Supplied by Solar Energy                                         |                                                   |                                             |                                            |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | kWh per SF                                     | kWh Year                                       | S.F. / Panel                                                    | 50%                                                                | 45%                                               | 40%                                         |                                            |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 785                             | 392,500                                              |                                      |                                     |                       |                                                | 574.72                                         | 17,541                                                          | 0.121                                                              | 0.109                                             | 0.097                                       |                                            |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 37,921                                               |                                      |                                     |                       |                                                |                                                |                                                                 | 0.023                                                              | 0.021                                             | 0.018                                       |                                            |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,575                           | 393,750                                              | 984,375                              | 393,750                             | 2,165,625             |                                                |                                                |                                                                 | 0.057                                                              | 0.052                                             | 0.046                                       |                                            |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 38,042                                               | 18,167                               | 18,037                              | 9,520                 |                                                |                                                |                                                                 | 0.005                                                              | 0.005                                             | 0.004                                       |                                            |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,315                           | 657,500                                              | 1,643,750                            | 657,500                             | 3,616,250             |                                                |                                                |                                                                 | 0.004                                                              | 0.004                                             | 0.003                                       |                                            |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 63,524                                               | 30,336                               | 30,119                              | 15,898                |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,575                           | 1,575,000                                            | 3,937,500                            | 1,575,000                           | 8,662,500             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 152,169                                              | 72,667                               | 72,147                              | 38,082                |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Total Canopy                                                                                            | 26,655,000                   |                                 | Total Solar Panels @ 40%                             |                                      |                                     |                       | 596,628                                        | Total Solar Panel Area @ 40%                   |                                                                 | Total Square Feet of Solar Panels                                  |                                                   |                                             |                                            |  |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 | 240 Acres of Solar Panels                                          |                                                   |                                             |                                            |  |

P-2  
cont'd

| Alternative 2B (5,250 Permits - 60% Outdoor)                              |                 |                  |                      |               |         | Page 1 of 2    |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|---------------------------------------------------------------------------|-----------------|------------------|----------------------|---------------|---------|----------------|---------------------|------------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|----------|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 | Land Information |                      |               |         |                | Canopy Information  |                  |                     |                       |                   | 43,560                  |                         | AE, AG & FR               | RA-Rural |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres  | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy | AE, AG & FR Parcels | RA-Rural Parcels | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |          |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF         | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres   | 211                 | 574              | 785                 |                       |                   | (132)                   | 284                     | Total Employees           |          |  |  |
| Permit Allocation                                                         | 15%             | 30%              | 25%                  | 30%           | 100%    | 500 SF         | (181,613)           | 287056.4808      | 105,444             | 2.4                   | 0.46%             |                         |                         | 14,226                    |          |  |  |
| Total Cultivation Permits                                                 | 785             | 1,575            | 1,315                | 1,575         | 5,250   | 5 to 10 acres  | 550                 | 1,025            | 1,575               |                       |                   | (649)                   | 2,152                   | Electric Use MWh          |          |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830            | 4,097                | 5,358         | 12,666  | 2,500 SF       | (1,187,705)         | 2562602.459      | 1,374,898           | 31.6                  | 5.96%             |                         |                         | 830,710                   |          |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%            | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres | 1,266               | 49               | 1,315               |                       |                   | 1,486                   | 1,605                   | Solar Panels/40%          |          |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%           | 32.35%               | 42.30%        | 100%    | 5,000 SF       | 6,087,131           | 243934.5863      | 6,331,065           | 145.3                 | 27.46%            |                         |                         | 578,167                   |          |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228            | 5,698                | 6,445         | 27,207  | Over 20 acres  | 1,525               | 50               | 1,575               |                       |                   | 2,752                   | 2,940                   | Water - Acre Feet         |          |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%           | 20.94%               | 23.69%        | 100.00% | 10,000 SF      | 14,744,681          | 502659.5745      | 15,247,340          | 350                   | 66.12%            |                         |                         | 883.45                    |          |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191            | 152                  | 171           | 2,524   | Total Canopy   | 19,462,494          | 3,596,253        | 23,058,747          | 529.4                 | 100.00%           | 1,537                   | 1,425                   | 2060 Market Share         |          |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558            | 327                  | 367           | 5,422   | Production SF  |                     |                  |                     |                       |                   | Disturbed Area Canopy   | Square Feet             | Acres                     |          |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021            | 4,249                | 5,529         | 15,190  |                |                     |                  |                     |                       |                   | 100%                    |                         |                           |          |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786           | 6,025                | 6,812         | 32,629  | Indoor 500 SF  |                     |                  | 1,373,750           |                       | 2.90%             | Accessory Space         | 25,015,718              | 574.3                     |          |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 3.08%           | 6.68%            | 22.22%               | 23.66%        | 13.05%  | Indoor         |                     |                  | 9,191,875           |                       | 19.42%            | 93.85%                  |                         |                           |          |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 211             | 550              | 1,266                | 1,525         | 3,552   | Total Indoor   |                     |                  | 10,565,625          |                       |                   | Other Site Work         | 5,331,000               | 122.4                     |          |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 73%             | 65%              | 4%                   | 3%            | 20%     | Mixed-light 1  |                     |                  | 13,131,250          |                       | 27.74%            | 20%                     |                         |                           |          |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 574             | 1,025            | 49                   | 50            | 1,698   | Mixed-light 2  |                     |                  | 7,878,750           |                       | 16.65%            | 213.85%                 |                         |                           |          |  |  |
| Total Permits Issued All zones                                            | 785             | 1,575            | 1,315                | 1,575         | 5,250   | Outdoor        |                     |                  | 15,757,500          |                       | 33.29%            | Solar Panels            | 10,141,628              | 232.8                     |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   | 38.05%                  |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   | Disturbed SF            |                         | Disturbed Acres           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |
|                                                                           |                 |                  |                      |               |         |                |                     |                  |                     |                       |                   |                         |                         |                           |          |  |  |

| Alternative 2B (5,250 Permits - 60% Outdoor) |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
|----------------------------------------------|--|--------------------|------------------------|---------------------------|---------------------|------------------------|---------------------------|----------------------|-------------------------------------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com          |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Cannabis Production Area                     |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
| AG, AE and FR zones                          |  | 2 Acres to 5 Acres |                        |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres |                                                 |                           | Over 20 Acres |                      |                           |                                      |                                     |
|                                              |  | % of Canopy        | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy          | Grow Cycles per Year                            | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet            |  | 500                |                        |                           | 2,500               |                        |                           | 5,000                |                                                 |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                      |  | 100%               |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  | 785                | 3.5                    | 1,373,750                 |                     |                        |                           |                      |                                                 |                           |               |                      |                           | 1,373,750                            | 144,768                             |
| Total Square Feet of Canopy - Annually       |  |                    |                        | 1,373,750                 |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| 2,500 Square Feet                            |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                        | 1,575                     |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                        | 10.00%                    | 3.5                 | 1,378,125              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                        | 20.00%                    | 3                   | 1968750                |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                        | 10.00%                    | 3                   | 1,181,250              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                        | 60.00%                    | 1                   | 2,362,500              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                        | 100.00%                   |                     | 6,890,625              |                           |                      |                                                 |                           |               |                      |                           | 6,890,625                            | 726,144                             |
| 5,000 Square Feet                            |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                        |                           |                     |                        |                           | 1,315                |                                                 |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                        | 10.00%                    | 3.5                 | 2,301,250              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                        | 20.00%                    | 2.5                 | 3,287,500              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                        | 10.00%                    | 3                   | 1,972,500              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                        | 60.00%                    | 1                   | 3,945,000              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                        | 100.00%                   |                     | 11,506,250             |                           |                      |                                                 |                           |               |                      |                           | 11,506,250                           | 1,212,546                           |
| 10,000 Square Feet                           |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                        |                           |                     |                        |                           |                      |                                                 |                           | 1,575         |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                        | 10.00%                    | 3.5                 | 5,512,500              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                        | 20.00%                    | 2.5                 | 7,875,000              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                        | 10.00%                    | 3                   | 4,725,000              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                        | 60.00%                    | 1                   | 9,450,000              |                           |                      |                                                 |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                        | 100.00%                   |                     | 27,562,500             |                           |                      |                                                 |                           |               |                      |                           | 27,562,500                           | 2,904,578                           |
| Gross Production Before Adjustments          |  | 4,988,036          | % of 2060 Market Share |                           | 136.2%              | % of 2040 Market Share |                           | 148.9%               | % of 2016 Production Level                      |                           | 191.8%        |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                 |  | -40.68%            | 2,958,903              | Net Potential Crop        |                     | Total Parcels          |                           | 5,250                | Total Project: Square Feet Of Canopy - Annually |                           | 47,333,125    |                      |                           |                                      |                                     |
| Loss Before Trimming                         |  | -12.50%            | 2,589,040              | Net Production            |                     | Grams per Square Feet  |                           | 47.8                 | Total Grams of Production                       |                           | 2,262,523,375 |                      |                           |                                      |                                     |
| Adjustment for Lab Testing                   |  | -12.50%            | 2,265,410              | Total Saleable Pounds     |                     | Grams per Pound        |                           | 453.59               | Total Pounds of Production                      |                           | 4,988,036     |                      |                           |                                      |                                     |

| Alternative 2B (5,250 Permits - 60% Outdoor)                                                            |                              |                                 | Page 2 of 2                                          |                                      | February 16, 2019 by: Plan-aire.com |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|------------------------------------------------------|--------------------------------------|-------------------------------------|-----------------------|------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|--------------------------|----------------------------------------------|----------------------------------|-------|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                 |                                                      |                                      |                                     |                       | Cultivation Average Total Employees Per Parcel | Cultivation Only Number of Full Time Employees | Trimming Only Number of Full Time Employees                     | Trimming Number of Full Time Employees                             | Total Project                                     |                          | Average Full Time Employees By Parcel Size   |                                  |       |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor 1/2 Year Only |                                                |                                                |                                                                 |                                                                    | Number of Full Time Employees                     |                          | Size                                         |                                  |       |
| 2-5 acres                                                                                               | 500                          | 785                             | 0.5                                                  |                                      | 0                                   | 0                     | 0.5                                            | 393                                            |                                                                 | 225                                                                | 618                                               |                          | 0.79                                         |                                  |       |
| 5-10 acres                                                                                              | 2,500                        | 1,575                           | 1.5                                                  | 1.25                                 | 1.5                                 | 0.5                   | 1.19                                           | 1,339                                          |                                                                 | 1,131                                                              | 2,469                                             |                          | 1.57                                         |                                  |       |
|                                                                                                         |                              | 1,575                           | 158                                                  | 315                                  | 158                                 | 945                   |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| 10-20 acres                                                                                             | 5,000                        | 1,315                           | 2                                                    | 1.75                                 | 2                                   | 0.75                  | 1.63                                           | 1,578                                          |                                                                 | 1,888                                                              | 3,466                                             |                          | 2.64                                         |                                  |       |
|                                                                                                         |                              | 1,315                           | 132                                                  | 263                                  | 132                                 | 789                   |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| Over 20 acres                                                                                           | 10,000                       | 1,575                           | 3                                                    | 2.5                                  | 3                                   | 1.5                   | 2.50                                           | 3,150                                          |                                                                 | 4,523                                                              | 7,673                                             |                          | 4.87                                         |                                  |       |
|                                                                                                         |                              | 1,575                           | 158                                                  | 315                                  | 158                                 | 945                   |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| Total Permits                                                                                           |                              | 5,250                           |                                                      |                                      |                                     |                       | Total Cultivation Employees                    | 6,459                                          | 1.23                                                            | 7,767                                                              | 1.48                                              | 14,226                   | 2.71                                         |                                  |       |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Conversion                                           | Yield                                |                                     |                       |                                                | Trimming Hours Per Pound                       | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Water Use Gallons Per Permitted Site 6 Gal./Plant | Number of Permits Issued | Total Project Gallons Per Year               | Total Project Acre Feet Per Year |       |
|                                                                                                         |                              |                                 | 0.51905                                              | Indoor                               | Mixed-light Tier 1                  | Mixed-light Tier 2    | Outdoor                                        |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 785                             | 75,142                                               | -                                    | -                                   | -                     | 75,142                                         | 6                                              | 0.29                                                            | 225                                                                | 5,400                                             | 785                      | 4,239,000                                    | 13.01                            |       |
| Square Feet of Production                                                                               |                              |                                 | 1,373,750                                            |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
|                                                                                                         |                              |                                 | 0.29                                                 | -                                    | -                                   | -                     |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 1,575                           | 75,381                                               | 107,687                              | 64,612                              | 129,225               | 376,905                                        | 6                                              | 0.72                                                            | 1,131                                                              | 27,000                                            | 1,575                    | 42,525,000                                   | 130.50                           |       |
| Square Feet of Production                                                                               |                              |                                 | 1,378,125                                            | 196,8750                             | 1,181,250                           | 2,362,500             |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
|                                                                                                         |                              |                                 | 0.14                                                 | 0.21                                 | 0.12                                | 0.25                  |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 1,315                           | 125,874                                              | 179,821                              | 107,892                             | 215,785               | 629,372                                        | 6                                              | 1.44                                                            | 1,888                                                              | 54,000                                            | 1,315                    | 71,010,000                                   | 217.92                           |       |
| Square Feet of Production                                                                               |                              |                                 | 2,301,250                                            | 328,7500                             | 1,972,500                           | 3,945,000             |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
|                                                                                                         |                              |                                 | 0.29                                                 | 0.41                                 | 0.25                                | 0.49                  |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 1,575                           | 301,524                                              | 430,749                              | 258,449                             | 516,899               | 1,507,621                                      | 6                                              | 2.87                                                            | 4,523                                                              | 108,000                                           | 1,575                    | 170,100,000                                  | 522.02                           |       |
| Square Feet of Production                                                                               |                              |                                 | 5,512,500                                            | 7,875,000                            | 4,725,000                           | 9,450,000             |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
|                                                                                                         |                              |                                 | 0.57                                                 | 0.82                                 | 0.49                                | 0.98                  |                                                |                                                |                                                                 |                                                                    |                                                   |                          |                                              |                                  |       |
| Total Permits                                                                                           |                              | 5,250                           |                                                      | Total Net Production Before Trimming |                                     |                       |                                                | 2,589,040                                      | See Table Above for Total Employees                             |                                                                    | Total Water Gallons                               |                          | 287,874,000                                  |                                  |       |
|                                                                                                         |                              |                                 |                                                      | Total Net Production Before Trimming |                                     |                       |                                                | 2,589,040                                      | Trimming Employees Only                                         | 7,767                                                              |                                                   |                          | Total Acre Feet                              | 883.45                           |       |
| Electric Use for Project                                                                                |                              | Cultivation Area Square Feet    | Electric Use kWh per S.F. per Year- Cultivation Only |                                      |                                     |                       |                                                | Electric Use Accessory Buildings               |                                                                 |                                                                    |                                                   |                          | Electric Use Notes:                          |                                  |       |
|                                                                                                         |                              |                                 | Indoor                                               | Mixed-light Tier 1                   | Mixed-light Tier 2                  | Outdoor               | Total kW Hours                                 | Indoor                                         | Mixed-light Tier 1                                              | Mixed-light Tier 2                                                 | Outdoor                                           | Total kW Hours           | Lighting                                     | HVAC                             |       |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 785                             | 135                                                  |                                      |                                     |                       |                                                | 3.82                                           | Note: Accessory Structures: 93.85% of Canopy                    |                                                                    |                                                   |                          | 100                                          | 35                               |       |
| Square Feet of Production                                                                               |                              |                                 | 392,500                                              |                                      |                                     |                       |                                                | 392,500                                        | Processing Area: 9.6%, Warehouse: 22.4%                         |                                                                    |                                                   |                          | Mixed-light 1: kWh per SF                    |                                  |       |
|                                                                                                         |                              |                                 | 52,987,500                                           |                                      |                                     |                       | 52,987,500                                     | 1,497,937                                      | Ag. Build: 36.85%, Immature Plants: 25%                         |                                                                    |                                                   |                          | 7.7                                          | 15                               |       |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,575                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                          | Mixed-light 2: kWh per SF                    |                                  |       |
| Square Feet of Production                                                                               |                              |                                 | 393,750                                              | 787,500                              | 393,750                             | 2,362,500             |                                                | 393,750                                        | 787,500                                                         | 393,750                                                            | 2,362,500                                         |                          | 32                                           | 30                               |       |
|                                                                                                         |                              |                                 | 53,156,250                                           | 17,876,250                           | 24,412,500                          | 5,906,250             | 101,351,250                                    | 1,502,708                                      | 3,005,415                                                       | 1,502,708                                                          | 9,016,245                                         | 15,027,075               | Outdoor: kWh per SF                          |                                  |       |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                          | 0.5                                          | 2                                |       |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,315                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                          | Accessory Buildings % of Canopy              |                                  |       |
| Square Feet of Production                                                                               |                              |                                 | 657,500                                              | 1,315,000                            | 657,500                             | 3,945,000             |                                                | 657,500                                        | 1,315,000                                                       | 657,500                                                            | 3,945,000                                         |                          | Processing 11.8 kWh/SF at 9.6%               |                                  |       |
|                                                                                                         |                              |                                 | 88,762,500                                           | 29,850,500                           | 40,765,000                          | 9,862,500             | 169,240,500                                    | 2,509,283                                      | 5,018,566                                                       | 2,509,283                                                          | 15,055,698                                        | 25,092,830               | Warehouse 6.4 kWh/SF at 22.4%                |                                  |       |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,575                           | 135                                                  | 22.7                                 | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                          | Total Project Electric Use                   |                                  |       |
| Square Feet of Production                                                                               |                              |                                 | 1,575,000                                            | 3,150,000                            | 1,575,000                           | 9,450,000             |                                                | 1,575,000                                      | 3,150,000                                                       | 1,575,000                                                          | 9,450,000                                         |                          | 830,710,392 kWh Hours                        |                                  |       |
|                                                                                                         |                              |                                 | 212,625,000                                          | 71,505,000                           | 97,650,000                          |                       | 405,405,000                                    | 6,010,830                                      | 12,021,660                                                      | 6,010,830                                                          |                                                   | 60,108,300               | 831 Gigawatts                                |                                  |       |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | kW Hours                                       |                                                |                                                                 |                                                                    | kW Hours                                          |                          | 101,726,142                                  | 830,710 Megawatts                |       |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | Megawatts                                      |                                                |                                                                 |                                                                    | Megawatts                                         |                          | 101,726                                      | 831 Gigawatts                    |       |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       | Gigawatts                                      |                                                |                                                                 |                                                                    | Gigawatts                                         |                          | 102                                          |                                  |       |
| Solar Panels - Renewable Energy                                                                         |                              | 40% of Total Project Use        |                                                      | Use of 350 Watt Solar Panels         |                                     |                       |                                                | Includes Cultivation & Accessory SF            |                                                                 | Solar Calculations                                                 |                                                   |                          |                                              |                                  |       |
|                                                                                                         |                              |                                 |                                                      | Indoor                               | Mixed-light Tier 1                  | Mixed-light Tier 2    | Outdoor                                        |                                                |                                                                 | One 350W Solar Panel                                               | % Supplied by Solar Energy                        |                          |                                              |                                  |       |
|                                                                                                         |                              |                                 |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 | kWh per SF                                                         | kWh Year                                          | S.F. / Panel             |                                              |                                  |       |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 785                             |                                                      |                                      |                                     |                       |                                                |                                                |                                                                 |                                                                    | 574.72                                            | 17.541                   | 50%                                          | 45%                              | 40%   |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 392,500                                              |                                      |                                     |                       |                                                |                                                |                                                                 | Indoor                                                             | 138.82                                            | 0.24                     | 0.121                                        | 0.109                            | 0.097 |
|                                                                                                         |                              |                                 | 37,921                                               |                                      |                                     |                       |                                                |                                                |                                                                 | Mixed-light 1                                                      | 26.52                                             | 0.05                     | 0.023                                        | 0.021                            | 0.018 |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,575                           | 393,750                                              | 787,500                              | 393,750                             | 2,362,500             |                                                |                                                |                                                                 | Mixed-light 2                                                      | 65.82                                             | 0.11                     | 0.057                                        | 0.052                            | 0.046 |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 38,042                                               | 14,533                               | 18,037                              | 10,386                | 80,998                                         |                                                |                                                                 | Outdoor                                                            | 6.32                                              | 0.01                     | 0.005                                        | 0.005                            | 0.004 |
|                                                                                                         |                              |                                 | 63,524                                               | 24,269                               | 30,119                              | 17,343                | 135,254                                        |                                                |                                                                 | Avg. House                                                         | 4.518                                             | 0.01                     | 0.004                                        | 0.004                            | 0.003 |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,315                           | 657,500                                              | 1,315,000                            | 657,500                             | 3,945,000             |                                                |                                                |                                                                 | 1,800 SF Nevada County 2016                                        |                                                   |                          | Avg. No. Panels for 1,800 SF House @40%      |                                  | 5.66  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 152,169                                              | 58,134                               | 72,147                              | 41,544                | 323,993                                        |                                                |                                                                 | 43,560                                                             |                                                   |                          | 10,141,628 Total Square Feet of Solar Panels |                                  |       |
| Total Canopy                                                                                            | 26,655,000                   |                                 | Total Solar Panels @ 40%                             |                                      |                                     |                       | 578,167                                        | Total Solar Panel Area @ 40%                   |                                                                 |                                                                    | 233 Acres of Solar Panels                         |                          |                                              |                                  |       |

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| Alternative 3A (5,000 Permits - 60% Outdoor)                              |                 |                  |                      |               |         | Page 1 of 2         |                     |                  |                     |                       |                   |                         |                         |                           |              |                 |  |  |  |
|---------------------------------------------------------------------------|-----------------|------------------|----------------------|---------------|---------|---------------------|---------------------|------------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|--------------|-----------------|--|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 | Land Information |                      |               |         |                     | Canopy Information  |                  |                     |                       |                   | 43,560                  |                         | AE, AG & FR               | RA-Rural     |                 |  |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres  | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |              |                 |  |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF         | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 67                  | 183              | 250                 |                       |                   | (42)                    | 91                      | Total Employees           |              |                 |  |  |  |
| Permit Allocation                                                         | 5%              | 30%              | 36%                  | 29%           | 100%    | 500 SF              | (57,839)            | 91419.2614       | 33,581              | 0.8                   | 0.14%             |                         |                         | 14,357                    |              |                 |  |  |  |
| Total Cultivation Permits                                                 | 250             | 1,500            | 1,800                | 1,450         | 5,000   | 5 to 10 acres       | 524                 | 976              | 1,500               |                       |                   | (618)                   | 2,049                   | Electric Use MWh          |              |                 |  |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830            | 4,097                | 5,358         | 12,666  | 2,500 SF            | (1,131,148)         | 2440573.77       | 1,309,426           | 30.1                  | 5.45%             |                         |                         | 822,764                   |              |                 |  |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%            | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 1,733               | 67               | 1,800               |                       |                   | 2,034                   | 2,197                   | Solar Panels/40%          |              |                 |  |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%           | 32.35%               | 42.30%        | 100%    | 5,000 SF            | 8,332,194           | 333902.8557      | 8,666,097           | 198.9                 | 36.04%            |                         |                         | 572,636                   |              |                 |  |  |  |
|                                                                           |                 |                  |                      |               |         | Over 20 acres       | 1,404               | 46               | 1,450               |                       |                   | 2,533                   | 2,706                   | Water - Acre Feet         |              |                 |  |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228            | 5,698                | 6,445         | 27,207  | 10,000 SF           | 13,574,468          | 462765.9574      | 14,037,234          | 322                   | 58.38%            |                         |                         | 907.32                    |              |                 |  |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%           | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 20,717,676          | 3,328,662        | 24,046,338          | 552.0                 | 100.00%           | 1,636                   | 1,319                   | 2060 Market Share         |              |                 |  |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191            | 152                  | 171           | 2,524   |                     |                     |                  |                     |                       |                   |                         | Disturbed Area          | Square Feet               | Acres        |                 |  |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558            | 327                  | 367           | 5,422   | Production SF       |                     |                  |                     |                       |                   |                         | Canopy                  | 27,375,000                | 628.4        |                 |  |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021            | 4,249                | 5,529         | 15,190  |                     |                     |                  |                     |                       |                   |                         | 100%                    |                           |              |                 |  |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786           | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                  | 437,500             |                       | 0.91%             | Accessory Space         | 25,691,438              | 589.8                     |              |                 |  |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 0.98%           | 6.37%            | 30.42%               | 21.78%        | 13.70%  | Indoor              |                     |                  | 9,537,500           |                       | 19.82%            | 93.85%                  |                         |                           |              |                 |  |  |  |
|                                                                           |                 |                  |                      |               |         | Total Indoor        |                     |                  | 9,975,000           |                       |                   | Other Site Work         | 5,475,000               | 125.7                     |              |                 |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 67              | 524              | 1,733                | 1,404         | 3,728   |                     |                     |                  |                     |                       |                   |                         | 20%                     |                           |              |                 |  |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 18%             | 82%              | 44%                  | 27%           | 39%     | Mixed-light 1       |                     |                  | 13,625,000          |                       | 28.31%            | Subtotal                | 58,541,438              | 1,343.9                   |              |                 |  |  |  |
|                                                                           | 73%             | 65%              | 4%                   | 3%            | 20%     | Mixed-light 2       |                     |                  | 8,175,000           |                       | 16.99%            | 213.85%                 |                         |                           |              |                 |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 183             | 976              | 67                   | 46            | 1,272   | Outdoor             |                     |                  | 16,350,000          |                       | 33.97%            | Solar Panels            | 10,044,615              | 230.6                     |              |                 |  |  |  |
|                                                                           | 18%             | 82%              | 44%                  | 27%           | 50%     |                     |                     |                  |                     |                       |                   |                         | 36.69%                  |                           | Disturbed SF | Disturbed Acres |  |  |  |
| Total Permits Issued All zones                                            | 250             | 1,500            | 1,800                | 1,450         | 5,000   | Total Production SF |                     |                  | 48,125,000          |                       | 100.00%           | 250.54%                 | 68,586,052              | 1,574.5                   |              |                 |  |  |  |

| Alternative 3A (5,000 Permits - 60% Outdoor) |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
|----------------------------------------------|--|--------------------|----------------------|---------------------------|---------------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com          |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Cannabis Production Area                     |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
| AG, AE and FR zones                          |  | 2 Acres to 5 Acres |                      |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres                            |                      |                           | Over 20 Acres |                      |                           |                                      |                                     |
|                                              |  | % of Canopy        | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet            |  | 500                |                      |                           | 2,500               |                        |                           | 5,000                                           |                      |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                      |  | 100%               |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  | 250                | 3.5                  | 437,500                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           | 437,500                              | 46,104                              |
| Total Square Feet of Canopy - Annually       |  |                    |                      | 437,500                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| 2,500 Square Feet                            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           | 1,500               |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 10.00%              | 3.5                    | 1,312,500                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 20.00%              | 3                      | 187,500                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 10.00%              | 3                      | 1,125,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 60.00%              | 1                      | 2,250,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 6,562,500                 |                                                 |                      |                           |               |                      |                           | 6,562,500                            | 691,566                             |
| 5,000 Square Feet                            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           |                     |                        |                           | 1,800                                           |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 10.00%              | 3.5                    | 3,150,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 20.00%              | 2.5                    | 4,500,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 10.00%              | 3                      | 2,700,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 60.00%              | 1                      | 5,400,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 15,750,000                |                                                 |                      |                           |               |                      |                           | 15,750,000                           | 1,659,759                           |
| 10,000 Square Feet                           |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           | 1,450         |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 10.00%              | 3.5                    | 5,075,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 20.00%              | 2.5                    | 7,250,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 10.00%              | 3                      | 4,350,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 60.00%              | 1                      | 8,700,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 25,375,000                |                                                 |                      |                           |               |                      |                           | 25,375,000                           | 2,674,056                           |
| Gross Production Before Adjustments          |  |                    | 5,071,485            | % of 2060 Market Share    | 138.5%              | % of 2040 Market Share | 151.4%                    | % of 2016 Production Level                      | 195.0%               |                           |               |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                 |  | -40.68%            | 3,008,405            | Net Potential Crop        |                     | Total Parcels          | 5,000                     | Total Project: Square Feet Of Canopy - Annually |                      | 48,125,000                | 5,071,485     |                      |                           |                                      |                                     |
| Loss Before Trimming                         |  | -12.50%            | 2,632,354            | Net Production            |                     | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      | 2,300,375,000             |               |                      |                           |                                      |                                     |
| Adjustment for Lab Testing                   |  | -12.50%            | 2,303,310            | Total Saleable Pounds     |                     | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      | 5,071,485                 |               |                      |                           |                                      |                                     |

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| Alternative 3A (5,000 Permits - 60% Outdoor)                                                            |                                    |                                       | Page 2 of 2                                          |                       | February 16, 2019 by: Plan-aire.com |                          |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
|---------------------------------------------------------------------------------------------------------|------------------------------------|---------------------------------------|------------------------------------------------------|-----------------------|-------------------------------------|--------------------------|---------------------------------------------------------|------------------------------------------------------------|--------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|---------------------------------------------------------------|-------------------------------------|--------------------------------------|--------------------------------------------------------|--|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                                    |                                       |                                                      |                       |                                     |                          | Cultivation<br>Average Total<br>Employees<br>Per Parcel | Cultivation<br>Only<br>Number of<br>Full Time<br>Employees | Cultivation<br>Number of<br>Full Time<br>Employees<br>Per Permit               | Trimming<br>Only<br>Number of<br>Full Time<br>Employees                           | Trimming<br>Number of<br>Full Time<br>Employees<br>Per Permit | Total Project                       |                                      | Average<br>Full Time<br>Employees<br>By Parcel<br>Size |  |
| Parcel Size                                                                                             | Cultivation<br>Area<br>Square Feet | Total Project<br>Number of<br>Permits | Indoor                                               | Mixed-light<br>Tier 1 | Mixed-light<br>Tier 2               | Outdoor<br>1/2 Year Only |                                                         |                                                            |                                                                                |                                                                                   |                                                               | Number of<br>Full Time<br>Employees |                                      | Full Time<br>Employees<br>Size                         |  |
| 2-5 acres                                                                                               | 500                                | 250                                   | 0.5                                                  |                       | 0                                   | 0                        | 0.5                                                     | 125                                                        |                                                                                | 72                                                                                |                                                               | 197                                 |                                      | 0.79                                                   |  |
|                                                                                                         |                                    |                                       | 250                                                  |                       |                                     |                          |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| 5-10 acres                                                                                              | 2,500                              | 1,500                                 | 1.5                                                  | 1.25                  | 1.5                                 | 0.5                      | 1.19                                                    | 1,275                                                      |                                                                                | 1,077                                                                             |                                                               | 2,352                               |                                      | 1.57                                                   |  |
|                                                                                                         |                                    | 1,500                                 | 150                                                  | 300                   | 150                                 | 900                      |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| 10-20 acres                                                                                             | 5,000                              | 1,800                                 | 2                                                    | 1.75                  | 2                                   | 0.75                     | 1.63                                                    | 2,160                                                      |                                                                                | 2,584                                                                             |                                                               | 4,744                               |                                      | 2.64                                                   |  |
|                                                                                                         |                                    | 1,800                                 | 180                                                  | 360                   | 180                                 | 1080                     |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| Over 20 acres                                                                                           | 10,000                             | 1,450                                 | 3                                                    | 2.5                   | 3                                   | 1.5                      | 2.50                                                    | 2,900                                                      |                                                                                | 4,164                                                                             |                                                               | 7,064                               |                                      | 4.87                                                   |  |
|                                                                                                         |                                    | 1,450                                 | 145                                                  | 290                   | 145                                 | 870                      |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| Total Permits                                                                                           |                                    | 5,000                                 |                                                      |                       |                                     |                          |                                                         | 6,460                                                      | 1.29                                                                           | 7,897                                                                             | 1.58                                                          | 14,357                              |                                      | 2.87                                                   |  |
| Total Cultivation Employees                                                                             |                                    |                                       |                                                      |                       |                                     |                          |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                                    |                                       |                                                      |                       |                                     |                          |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| Parcel Size                                                                                             | Cultivation<br>Area<br>Square Feet | Total Project<br>Number of<br>Permits | Conversion                                           | Yield                 |                                     |                          |                                                         | Trimming<br>Hours<br>Per Pound                             | Per Parcel<br>Full Time<br>Equivalent<br>Employees<br>Required for<br>Trimming | Total Project<br>Full Time<br>Equivalent<br>Employees<br>Required for<br>Trimming | Water Use<br>Gallons Per<br>Permitted<br>Site<br>6 Gal./Plant | Project Water Use                   |                                      |                                                        |  |
|                                                                                                         |                                    |                                       | 0.51905                                              | Indoor                | Mixed-light<br>Tier 1               | Mixed-light<br>Tier 2    | Outdoor                                                 |                                                            |                                                                                |                                                                                   |                                                               | Number of<br>Permits<br>Issued      | Total Project<br>Gallons<br>Per Year | Total Project<br>Acre Feet<br>Per Year                 |  |
| 2-5 acres - Pounds of Net Production                                                                    | 500                                | 250                                   | 23,930                                               | -                     | -                                   | -                        | 23,930                                                  | 6                                                          | 0.29                                                                           | 72                                                                                | 5,400                                                         | 250                                 | 1,350,000                            | 4.14                                                   |  |
| Square Feet of Production                                                                               |                                    |                                       | 437,500                                              |                       |                                     |                          |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
|                                                                                                         |                                    |                                       | 0.29                                                 | -                     | -                                   | -                        |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                              | 1,500                                 | 71,791                                               | 102,559               | 61,536                              | 123,071                  | 358,957                                                 | 6                                                          | 0.72                                                                           | 1,077                                                                             | 27,000                                                        | 1,500                               | 40,500,000                           | 124.29                                                 |  |
| Square Feet of Production                                                                               |                                    |                                       | 1,312,500                                            | 1875000               | 1,125,000                           | 2,250,000                |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
|                                                                                                         |                                    |                                       | 0.14                                                 | 0.21                  | 0.12                                | 0.25                     |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                              | 1,800                                 | 172,300                                              | 246,142               | 147,685                             | 295,371                  | 861,498                                                 | 6                                                          | 1.44                                                                           | 2,584                                                                             | 54,000                                                        | 1,800                               | 97,200,000                           | 298.30                                                 |  |
| Square Feet of Production                                                                               |                                    |                                       | 3,150,000                                            | 4500000               | 2,700,000                           | 5,400,000                |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
|                                                                                                         |                                    |                                       | 0.29                                                 | 0.41                  | 0.25                                | 0.49                     |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                             | 1,450                                 | 277,594                                              | 396,562               | 237,937                             | 475,875                  | 1,387,969                                               | 6                                                          | 2.87                                                                           | 4,164                                                                             | 108,000                                                       | 1,450                               | 156,600,000                          | 480.59                                                 |  |
| Square Feet of Production                                                                               |                                    |                                       | 5,075,000                                            | 7,250,000             | 4,350,000                           | 8,700,000                |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
|                                                                                                         |                                    |                                       | 0.57                                                 | 0.82                  | 0.49                                | 0.98                     |                                                         |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| Total Permits                                                                                           |                                    | 5,000                                 |                                                      |                       |                                     |                          |                                                         |                                                            | See Table Above for Total Employees                                            |                                                                                   |                                                               |                                     | Total Water Gallons                  | 295,650,000                                            |  |
|                                                                                                         |                                    |                                       |                                                      |                       |                                     |                          |                                                         |                                                            | Trimming Employees Only                                                        | 7,897                                                                             |                                                               |                                     | Total Acre Feet                      | 907.32                                                 |  |
| Total Net Production Before Trimming                                                                    |                                    |                                       |                                                      |                       |                                     |                          | 2,632,354                                               |                                                            |                                                                                |                                                                                   |                                                               |                                     |                                      |                                                        |  |
| Electric Use for Project                                                                                |                                    |                                       | Electric Use kWh per S.F. per Year- Cultivation Only |                       |                                     |                          |                                                         | Electric Use Accessory Buildings                           |                                                                                |                                                                                   |                                                               |                                     | Electric Use Notes:                  |                                                        |  |
|                                                                                                         | Cultivation<br>Area<br>Square Feet |                                       | Indoor                                               | Mixed-light<br>Tier 1 | Mixed-light<br>Tier 2               | Outdoor                  | Total<br>kW Hours                                       | Indoor                                                     | Mixed-light<br>Tier 1                                                          | Mixed-light<br>Tier 2                                                             | Outdoor                                                       | Total<br>kW Hours                   | Lighting                             | HVAC                                                   |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                                | 250                                   | 135                                                  |                       |                                     |                          |                                                         | 3.82                                                       | Note: Accessory Structures: 93.85% of Canopy                                   |                                                                                   |                                                               |                                     | 100                                  | 35                                                     |  |
| Square Feet of Production                                                                               |                                    |                                       | 125,000                                              |                       |                                     |                          |                                                         | 125,000                                                    | Processing Area: 9.6%, Warehouse: 22.4%                                        |                                                                                   |                                                               |                                     | Mixed-light 1: kWh per SF            |                                                        |  |
|                                                                                                         |                                    |                                       | 16,875,000                                           |                       |                                     |                          | 16,875,000                                              | 477,050                                                    | Ag. Build: 36.85%, Immature Plants: 25%                                        |                                                                                   |                                                               | 477,050                             | 7.7                                  | 15                                                     |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                              | 1,500                                 | 135                                                  | 22.7                  | 62                                  | 2.5                      |                                                         | 3.82                                                       | 3.82                                                                           | 3.82                                                                              | 3.82                                                          |                                     | Mixed-light 2: kWh per SF            |                                                        |  |
| Square Feet of Production                                                                               |                                    |                                       | 375,000                                              | 750,000               | 375,000                             | 2,250,000                |                                                         | 375,000                                                    | 750,000                                                                        | 375,000                                                                           | 2,250,000                                                     |                                     | 32                                   | 30                                                     |  |
|                                                                                                         |                                    |                                       | 50,625,000                                           | 17,025,000            | 23,250,000                          | 5,625,000                | 96,525,000                                              | 1,431,150                                                  | 2,862,300                                                                      | 1,431,150                                                                         | 8,586,900                                                     | 14,311,500                          | Outdoor: kWh per SF                  |                                                        |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                              | 1,800                                 | 135                                                  | 22.7                  | 62                                  | 2.5                      |                                                         | 3.82                                                       | 3.82                                                                           | 3.82                                                                              | 3.82                                                          |                                     | 0.5                                  | 2                                                      |  |
| Square Feet of Production                                                                               |                                    |                                       | 900,000                                              | 1,800,000             | 900,000                             | 5,400,000                |                                                         | 900,000                                                    | 1,800,000                                                                      | 900,000                                                                           | 5,400,000                                                     |                                     | Accessory Buildings % of Canopy      |                                                        |  |
|                                                                                                         |                                    |                                       | 121,500,000                                          | 40,860,000            | 55,890,000                          | 13,500,000               | 231,660,000                                             | 3,434,760                                                  | 6,869,520                                                                      | 3,434,760                                                                         | 20,608,560                                                    | 34,347,600                          | Processing 11.8 kWh/SF at 9.6%       |                                                        |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                             | 1,450                                 | 135                                                  | 22.7                  | 62                                  | 2.5                      |                                                         | 3.82                                                       | 3.82                                                                           | 3.82                                                                              | 3.82                                                          |                                     | Warehouse 6.4 kWh/SF at 22.4%        |                                                        |  |
| Square Feet of Production                                                                               |                                    |                                       | 1,450,000                                            | 2,900,000             | 1,450,000                           | 8,700,000                |                                                         | 1,450,000                                                  | 2,900,000                                                                      | 1,450,000                                                                         | 8,700,000                                                     |                                     | Total Project Electric Use           |                                                        |  |
|                                                                                                         |                                    |                                       | 195,750,000                                          | 65,830,000            | 89,900,000                          |                          | 373,230,000                                             | 5,533,780                                                  | 11,067,560                                                                     | 5,533,780                                                                         |                                                               | 55,337,800                          | 822,763,950 kWh Hours                |                                                        |  |
|                                                                                                         |                                    |                                       |                                                      |                       |                                     | kW Hours                 | 718,290,000                                             |                                                            |                                                                                |                                                                                   | kW Hours                                                      | 104,473,950                         | 822,764 Megawatts                    |                                                        |  |
|                                                                                                         |                                    |                                       |                                                      |                       |                                     | Megawatts                | 718,290                                                 |                                                            |                                                                                |                                                                                   | Megawatts                                                     | 104,474                             | Gigawatts                            | 823 Gigawatts                                          |  |
| Solar Panels - Renewable Energy                                                                         |                                    |                                       | 40% of Total Project Use                             |                       |                                     |                          |                                                         | Use of 350 Watt Solar Panels                               |                                                                                |                                                                                   |                                                               |                                     | Includes                             |                                                        |  |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                                    |                                       | Indoor                                               | Mixed-light<br>Tier 1 | Mixed-light<br>Tier 2               | Outdoor                  | Total<br>Solar Panels                                   | Cultivation &<br>Accessory SF                              | kWh per SF                                                                     | Solar Calculations                                                                |                                                               |                                     |                                      |                                                        |  |
|                                                                                                         |                                    |                                       |                                                      |                       |                                     |                          |                                                         |                                                            |                                                                                | One 350W Solar Panel                                                              | % Supplied by Solar Energy                                    |                                     |                                      |                                                        |  |
|                                                                                                         |                                    |                                       |                                                      |                       |                                     |                          |                                                         |                                                            |                                                                                | kWh Year                                                                          | S.F. / Panel                                                  | 50%                                 | 45%                                  | 40%                                                    |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                                | 250                                   | 125,000                                              |                       |                                     |                          |                                                         |                                                            |                                                                                | 574.72                                                                            | 17.541                                                        | 0.121                               | 0.109                                | 0.097                                                  |  |
| Number of 350 Watt Solar Panels Required                                                                |                                    |                                       | 12,077                                               |                       |                                     |                          | 12,077                                                  | Indoor                                                     | 138.82                                                                         | 0.24                                                                              |                                                               | 0.023                               | 0.021                                | 0.018                                                  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                              | 1,500                                 | 375,000                                              | 750,000               | 375,000                             | 2,250,000                |                                                         | Mixed-light 1                                              | 26.52                                                                          | 0.05                                                                              |                                                               | 0.057                               | 0.052                                | 0.046                                                  |  |
| Number of 350 Watt Solar Panels Required                                                                |                                    |                                       | 36,231                                               | 13,841                | 17,178                              | 9,891                    | 77,141                                                  | Mixed-light 2                                              | 65.82                                                                          | 0.11                                                                              |                                                               | 0.005                               | 0.005                                | 0.004                                                  |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                              | 1,800                                 | 900,000                                              | 1,800,000             | 900,000                             | 5,400,000                |                                                         | Outdoor                                                    | 6.32                                                                           | 0.01                                                                              |                                                               | 0.004                               | 0.004                                | 0.003                                                  |  |
| Number of 350 Watt Solar Panels Required                                                                |                                    |                                       | 86,953                                               | 33,219                | 41,227                              | 23,739                   | 185,139                                                 | Avg. House                                                 | 4.518                                                                          | 0.01                                                                              |                                                               |                                     |                                      |                                                        |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                             | 1,450                                 | 1,450,000                                            | 2,900,000             | 1,450,000                           | 8,700,000                |                                                         | 1,800 SF Nevada County 2016                                |                                                                                |                                                                                   | Avg. No. Panels for 1,800 SF House @40%                       |                                     |                                      | 5.66                                                   |  |
| Number of 350 Watt Solar Panels Required                                                                |                                    |                                       | 140,092                                              | 53,520                | 66,421                              | 38,247                   | 298,279                                                 | 43,560                                                     |                                                                                |                                                                                   | 10,044,615                                                    | Total Square Feet of Solar Panels   |                                      |                                                        |  |
| Total Canopy                                                                                            | 27,375,000                         |                                       |                                                      |                       |                                     |                          | 572,636                                                 | Total Solar Panel Area @ 40%                               |                                                                                |                                                                                   | 231                                                           | Acre Feet of Solar Panels           |                                      |                                                        |  |

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| Alternative 4A (4,000 Permits - 60% Outdoor)                              |                 |                  |                      |               |         | Page 1 of 2         |                     |             |                     |                       |                   |                         |                         |                           |                 |  |  |  |  |
|---------------------------------------------------------------------------|-----------------|------------------|----------------------|---------------|---------|---------------------|---------------------|-------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|-----------------|--|--|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 | Land Information |                      |               |         |                     | Canopy Information  |             |                     |                       |                   | 43,560                  |                         | AE, AG & FR               | RA-Rural        |  |  |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres  | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural    | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |                 |  |  |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF         | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 54                  | 146         | 200                 |                       |                   | (34)                    | 72                      | Total Employees           |                 |  |  |  |  |
| Permit Allocation                                                         | 5%              | 25%              | 38%                  | 33%           | 100%    | 500 SF              | (46,271)            | 73135.40912 | 26,865              | 0.6                   | 0.13%             |                         |                         | 12,012                    |                 |  |  |  |  |
| Total Cultivation Permits                                                 | 200             | 1,000            | 1,500                | 1,300         | 4,000   | 5 to 10 acres       | 349                 | 651         | 1,000               |                       |                   | (412)                   | 1,366                   | Electric Use MWh          |                 |  |  |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830            | 4,097                | 5,358         | 12,666  | 2,500 SF            | (754,098)           | 1627049.18  | 872,951             | 20.0                  | 4.22%             |                         |                         | 693,679                   |                 |  |  |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%            | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 1,444               | 56          | 1,500               |                       |                   | 1,695                   | 1,831                   | Solar Panels/40%          |                 |  |  |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%           | 32.35%               | 42.30%        | 100%    | 5,000 SF            | 6,943,495           | 278252.3798 | 7,221,748           | 165.8                 | 34.88%            |                         |                         | 482,794                   |                 |  |  |  |  |
|                                                                           |                 |                  |                      |               |         | Over 20 acres       | 1,259               | 41          | 1,300               |                       |                   | 2,271                   | 2,426                   | Water - Acre Feet         |                 |  |  |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228            | 5,698                | 6,445         | 27,207  | 10,000 SF           | 12,170,213          | 414893.617  | 12,585,106          | 289                   | 60.78%            |                         |                         | 765.63                    |                 |  |  |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%           | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 18,313,339          | 2,393,331   | 20,706,669          | 475.4                 | 100.00%           | 1,446                   | 948                     | 2060 Market Share         |                 |  |  |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191            | 152                  | 171           | 2,524   |                     |                     |             |                     |                       |                   |                         | Disturbed Area          | Square Feet               | Acres           |  |  |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558            | 327                  | 367           | 5,422   | Production SF       |                     |             |                     |                       |                   |                         | Canopy                  | 23,100,000                | 530.3           |  |  |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021            | 4,249                | 5,529         | 15,190  |                     |                     |             |                     |                       |                   |                         | 100%                    |                           |                 |  |  |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786           | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |             | 350,000             |                       | 0.86%             | Accessory Space         | 21,679,350              | 497.7                     |                 |  |  |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 0.79%           | 4.24%            | 25.35%               | 19.53%        | 11.42%  | Indoor              |                     |             | 8,050,000           |                       | 19.83%            | 93.85%                  |                         |                           |                 |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 54              | 349              | 1,444                | 1,259         | 3,106   | Total Indoor        |                     |             | 8,400,000           |                       |                   | Other Site Work         | 4,620,000               | 106.1                     |                 |  |  |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 73%             | 65%              | 4%                   | 3%            | 20%     | Mixed-light 1       |                     |             | 11,500,000          |                       | 28.33%            | 20%                     |                         |                           |                 |  |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 146             | 651              | 56                   | 41            | 894     | Mixed-light 2       |                     |             | 6,900,000           |                       | 17.00%            | 213.85%                 |                         |                           |                 |  |  |  |  |
|                                                                           | 14%             | 55%              | 37%                  | 24%           | 35%     | Outdoor             |                     |             | 13,800,000          |                       | 33.99%            | Solar Panels            | 8,468,695               | 194.4                     |                 |  |  |  |  |
| Total Permits Issued All zones                                            | 200             | 1,000            | 1,500                | 1,300         | 4,000   | Total Production SF |                     |             |                     | 40,600,000            |                   | 100.00%                 | 36.66%                  | Disturbed SF              | Disturbed Acres |  |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |             |                     |                       |                   | 250.51%                 | 57,868,045              | 1,328.5                   |                 |  |  |  |  |

| Alternative 4A (4,000 Permits - 60% Outdoor) |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
|----------------------------------------------|--|--------------------|----------------------|---------------------------|---------------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com          |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Cannabis Production Area                     |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| AG, AE and FR zones                          |  | 2 Acres to 5 Acres |                      |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres                            |                      |                           | Over 20 Acres |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
|                                              |  | % of Canopy        | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet            |  | 500                |                      |                           | 2,500               |                        |                           | 5,000                                           |                      |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                      |  | 100%               |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  | 200                | 3.5                  | 350,000                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           | 350,000                              | 36,884                              |
| Total Square Feet of Canopy - Annually       |  |                    |                      | 350,000                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| 2,500 Square Feet                            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           | 1,000               |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 10.00%              | 3.5                    | 875,000                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 20.00%              | 3                      | 1250000                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 10.00%              | 3                      | 750,000                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 60.00%              | 1                      | 1,500,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 4,375,000                 |                                                 |                      |                           |               |                      |                           | 4,375,000                            | 461,044                             |
| 5,000 Square Feet                            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           |                     |                        |                           | 1,500                                           |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 10.00%              | 3.5                    | 2,625,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 20.00%              | 2.5                    | 3,750,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 10.00%              | 3                      | 2,250,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 60.00%              | 1                      | 4,500,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 13,125,000                |                                                 |                      |                           |               |                      |                           | 13,125,000                           | 1,383,132                           |
| 10,000 Square Feet                           |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           | 1,300         |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 10.00%              | 3.5                    | 4,550,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 20.00%              | 2.5                    | 6,500,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 10.00%              | 3                      | 3,900,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 60.00%              | 1                      | 7,800,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 22,750,000                |                                                 |                      |                           |               |                      |                           | 22,750,000                           | 2,397,429                           |
| Gross Production Before Adjustments          |  |                    | 4,278,489            | % of 2060 Market Share    | 116.8%              | % of 2040 Market Share | 127.8%                    | % of 2016 Production Level                      | 164.5%               |                           |               |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                 |  | -40.68%            | 2,538,000            | Net Potential Crop        |                     | Total Parcels          | 4,000                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |               |                      |                           | 40,600,000                           | 4,278,489                           |
| Loss Before Trimming                         |  | -12.50%            | 2,220,750            | Net Production            |                     | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      |                           |               |                      |                           | 1,940,680,000                        |                                     |
| Adjustment for Lab Testing                   |  | -12.50%            | 1,943,156            | Total Saleable Pounds     |                     | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      |                           |               |                      |                           | 4,278,489                            |                                     |

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| Alternative 4A (4,000 Permits - 60% Outdoor)                                                            |                              |                                 | Page 2 of 2                          |                             | February 16, 2019 by: Plan-aire.com |                                  |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|--------------------------------------|-----------------------------|-------------------------------------|----------------------------------|----------------------------------------------|-------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|------------------------------------------|---------------------------------------------------|-------------------------------|------------------------------------|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                 |                                      |                             |                                     |                                  |                                              | Cultivation                         | Cultivation                                                     | Trimming                                                           | Trimming                                 |                                                   | Total Project                 | Average                            |
| * Updated Feb. 17, 2018                                                                                 | Cultivation Area             | Total Project Number of Permits | Indoor                               | Mixed-light                 | Mixed-light                         | Outdoor                          | Average Total Employees Per Parcel           | Only Number of Full Time Employees  | Number of Full Time Employees Per Permit                        | Only Number of Full Time Employees                                 | Number of Full Time Employees Per Permit |                                                   | Number of Full Time Employees | Full Time Employees By Parcel Size |
| Parcel Size                                                                                             | Square Feet                  |                                 |                                      | Tier 1                      | Tier 2                              | 1/2 Year Only                    |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| 2-5 acres                                                                                               | 500                          | 200                             | 0.5                                  |                             | 0                                   | 0                                | 0.5                                          | 100                                 |                                                                 | 57                                                                 |                                          |                                                   | 157                           | 0.79                               |
|                                                                                                         |                              | 200                             |                                      |                             |                                     |                                  |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| 5-10 acres                                                                                              | 2,500                        | 1,000                           | 1.5                                  | 1.25                        | 1.5                                 | 0.5                              | 1.19                                         | 850                                 |                                                                 | 718                                                                |                                          |                                                   | 1,568                         | 1.57                               |
|                                                                                                         |                              | 1,000                           | 100                                  | 200                         | 100                                 | 600                              |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| 10-20 acres                                                                                             | 5,000                        | 1,500                           | 2                                    | 1.75                        | 2                                   | 0.75                             | 1.63                                         | 1,800                               |                                                                 | 2,154                                                              |                                          |                                                   | 3,954                         | 2.64                               |
|                                                                                                         |                              | 1,500                           | 150                                  | 300                         | 150                                 | 900                              |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| Over 20 acres                                                                                           | 10,000                       | 1,300                           | 3                                    | 2.5                         | 3                                   | 1.5                              | 2.50                                         | 2,600                               |                                                                 | 3,733                                                              |                                          |                                                   | 6,333                         | 4.87                               |
|                                                                                                         |                              | 1,300                           | 130                                  | 260                         | 130                                 | 780                              |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| Total Permits                                                                                           |                              | 4,000                           |                                      | Total Cultivation Employees |                                     |                                  |                                              | 5,350                               | 1.34                                                            | 6,662                                                              | 1.67                                     |                                                   | 12,012                        | 3.00                               |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                 |                                      |                             |                                     |                                  |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Conversion                           | Yield                       |                                     |                                  |                                              | Trimming Hours Per Pound            | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Project Water Use                        |                                                   |                               |                                    |
|                                                                                                         |                              |                                 | 0.51905                              | Indoor                      | Mixed-light Tier 1                  | Mixed-light Tier 2               | Outdoor                                      |                                     |                                                                 |                                                                    | Total                                    | Water Use Gallons Per Permitted Site 6 Gal./Plant | Number of Permits Issued      | Total Project Gallons Per Year     |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 200                             | 19,144                               | -                           | -                                   | -                                | 19,144                                       | 6                                   | 2,000                                                           | 57                                                                 | 5,400                                    | 200                                               | 1,080,000                     | 3.31                               |
| Square Feet of Production                                                                               |                              |                                 | 350,000                              |                             |                                     |                                  |                                              |                                     | 0.29                                                            |                                                                    |                                          |                                                   | -                             |                                    |
|                                                                                                         |                              |                                 | 0.29                                 | -                           | -                                   | -                                | -                                            |                                     |                                                                 |                                                                    |                                          |                                                   | -                             |                                    |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 1,000                           | 47,861                               | 68,373                      | 41,024                              | 82,047                           | 239,305                                      | 6                                   | 0.72                                                            | 718                                                                | 27,000                                   | 1,000                                             | 27,000,000                    | 82.86                              |
| Square Feet of Production                                                                               |                              |                                 | 875,000                              | 1250000                     | 750,000                             | 1,500,000                        |                                              |                                     |                                                                 |                                                                    |                                          |                                                   | -                             |                                    |
|                                                                                                         |                              |                                 | 0.14                                 | 0.21                        | 0.12                                | 0.25                             |                                              |                                     |                                                                 |                                                                    |                                          |                                                   | -                             |                                    |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 1,500                           | 143,583                              | 205,119                     | 123,071                             | 246,142                          | 717,915                                      | 6                                   | 1.44                                                            | 2,154                                                              | 54,000                                   | 1,500                                             | 81,000,000                    | 248.58                             |
| Square Feet of Production                                                                               |                              |                                 | 2,625,000                            | 3750000                     | 2,250,000                           | 4,500,000                        |                                              |                                     |                                                                 |                                                                    |                                          |                                                   | -                             |                                    |
|                                                                                                         |                              |                                 | 0.29                                 | 0.41                        | 0.25                                | 0.49                             |                                              |                                     |                                                                 |                                                                    |                                          |                                                   | -                             |                                    |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 1,300                           | 248,877                              | 355,539                     | 213,323                             | 426,647                          | 1,244,386                                    | 6                                   | 2.87                                                            | 3,733                                                              | 108,000                                  | 1,300                                             | 140,400,000                   | 430.87                             |
| Square Feet of Production                                                                               |                              |                                 | 4,550,000                            | 6,500,000                   | 3,900,000                           | 7,800,000                        |                                              |                                     |                                                                 |                                                                    |                                          |                                                   | -                             |                                    |
|                                                                                                         |                              |                                 | 0.57                                 | 0.82                        | 0.49                                | 0.98                             |                                              |                                     |                                                                 |                                                                    |                                          |                                                   | -                             |                                    |
| Total Permits                                                                                           |                              | 4,000                           | Total Net Production Before Trimming |                             |                                     |                                  | 2,220,750                                    | See Table Above for Total Employees |                                                                 | Total Water Gallons                                                |                                          | 249,480,000                                       |                               |                                    |
|                                                                                                         |                              |                                 | Total Net Production Before Trimming |                             |                                     |                                  | 2,220,750                                    | Trimming Employees Only             |                                                                 | 6,662                                                              |                                          | Total Acre Feet                                   |                               | 765.63                             |
| Electric Use for Project                                                                                |                              |                                 |                                      |                             |                                     |                                  |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| Cultivation Area Square Feet                                                                            | Indoor                       | Mixed-light Tier 1              | Mixed-light Tier 2                   | Outdoor                     | Total kW Hours                      | Electric Use Accessory Buildings |                                              |                                     |                                                                 | Electric Use Notes:                                                |                                          |                                                   |                               |                                    |
|                                                                                                         |                              |                                 |                                      |                             |                                     | Indoor                           | Mixed-light Tier 1                           | Mixed-light Tier 2                  | Outdoor                                                         | Total kW Hours                                                     | Lighting                                 | HVAC                                              |                               |                                    |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 200                             | 135                                  |                             |                                     | 3.82                             | Note: Accessory Structures: 93.85% of Canopy |                                     |                                                                 |                                                                    | 100                                      | 35                                                |                               |                                    |
| Square Feet of Production                                                                               |                              |                                 | 100,000                              |                             |                                     | 100,000                          | Processing Area: 9.6%, Warehouse: 22.4%      |                                     |                                                                 |                                                                    | Mixed-light 1: kWh per SF                |                                                   |                               |                                    |
|                                                                                                         |                              |                                 | 13,500,000                           |                             | 13,500,000                          | 381,640                          | Ag. Build: 36.85%, Immature Plants: 25%      |                                     |                                                                 |                                                                    | 7.7                                      | 15                                                |                               |                                    |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,000                           | 135                                  | 22.7                        | 62                                  | 2.5                              | 3.82                                         | 3.82                                | 3.82                                                            |                                                                    | Mixed-light 2: kWh per SF                |                                                   |                               |                                    |
| Square Feet of Production                                                                               |                              |                                 | 250,000                              | 500,000                     | 250,000                             | 1,500,000                        | 250,000                                      | 500,000                             | 250,000                                                         | 1,500,000                                                          | 32                                       | 30                                                |                               |                                    |
|                                                                                                         |                              |                                 | 33,750,000                           | 11,350,000                  | 15,500,000                          | 3,750,000                        | 954,100                                      | 1,908,200                           | 954,100                                                         | 5,724,600                                                          | Outdoor: kWh per SF                      |                                                   |                               |                                    |
|                                                                                                         |                              |                                 |                                      |                             |                                     |                                  |                                              |                                     |                                                                 |                                                                    | 0.5                                      | 2                                                 |                               |                                    |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,500                           | 135                                  | 22.7                        | 62                                  | 2.5                              | 3.82                                         | 3.82                                | 3.82                                                            |                                                                    | Accessory Buildings % of Canopy          |                                                   |                               |                                    |
| Square Feet of Production                                                                               |                              |                                 | 750,000                              | 1,500,000                   | 750,000                             | 4,500,000                        | 750,000                                      | 1,500,000                           | 750,000                                                         | 4,500,000                                                          | Processing 11.8 kWh/SF at 9.6%           |                                                   |                               |                                    |
|                                                                                                         |                              |                                 | 101,250,000                          | 34,050,000                  | 46,500,000                          | 11,250,000                       | 2,862,300                                    | 5,724,600                           | 2,862,300                                                       | 17,173,800                                                         | Warehouse 6.4 kWh/SF at 22.4%            |                                                   |                               |                                    |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,300                           | 135                                  | 22.7                        | 62                                  | 2.5                              | 3.82                                         | 3.82                                | 3.82                                                            |                                                                    | Total Project Electric Use               |                                                   |                               |                                    |
| Square Feet of Production                                                                               |                              |                                 | 1,300,000                            | 2,600,000                   | 1,300,000                           | 7,800,000                        | 1,300,000                                    | 2,600,000                           | 1,300,000                                                       | 7,800,000                                                          | 693,678,840 kWh Hours                    |                                                   |                               |                                    |
|                                                                                                         |                              |                                 | 175,500,000                          | 59,020,000                  | 80,600,000                          | 19,500,000                       | 4,961,320                                    | 9,922,640                           | 4,961,320                                                       | 29,767,920                                                         | 693,679 Megawatts                        |                                                   |                               |                                    |
|                                                                                                         |                              |                                 |                                      |                             |                                     | kW Hours                         |                                              |                                     |                                                                 | kW Hours                                                           | 693,679 Megawatts                        |                                                   |                               |                                    |
|                                                                                                         |                              |                                 |                                      |                             |                                     | Megawatts                        |                                              |                                     |                                                                 | Megawatts                                                          | 88,159 Gigawatts                         |                                                   |                               |                                    |
| Solar Panels - Renewable Energy                                                                         |                              |                                 |                                      |                             |                                     |                                  |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| 40% of Total Project Use                                                                                |                              | Use of 350 Watt Solar Panels    |                                      |                             |                                     |                                  | Includes                                     | Solar Calculations                  |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                              | Indoor                          | Mixed-light Tier 1                   | Mixed-light Tier 2          | Outdoor                             | Total Solar Panels               | Cultivation & Accessory SF                   | kWh per SF                          | One 350W Solar Panel                                            |                                                                    | % Supplied by Solar Energy               |                                                   |                               |                                    |
|                                                                                                         |                              |                                 |                                      |                             |                                     |                                  |                                              |                                     | kWh Year                                                        | S.F. / Panel                                                       | 50%                                      | 45%                                               | 40%                           |                                    |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 200                             | 100,000                              |                             |                                     |                                  |                                              |                                     | 574.72                                                          | 17,541                                                             | 0.121                                    | 0.109                                             | 0.097                         |                                    |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 9,661                                |                             |                                     | 9,661                            |                                              |                                     |                                                                 |                                                                    | 0.023                                    | 0.021                                             | 0.018                         |                                    |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 1,000                           | 250,000                              | 500,000                     | 250,000                             | 1,500,000                        |                                              |                                     |                                                                 |                                                                    | 0.057                                    | 0.052                                             | 0.046                         |                                    |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 24,154                               | 9,228                       | 11,452                              | 6,594                            |                                              |                                     |                                                                 |                                                                    | 0.005                                    | 0.005                                             | 0.004                         |                                    |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,500                           | 750,000                              | 1,500,000                   | 750,000                             | 4,500,000                        |                                              |                                     |                                                                 |                                                                    | 0.004                                    | 0.004                                             | 0.003                         |                                    |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 72,461                               | 27,683                      | 34,356                              | 19,783                           |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,300                           | 1,300,000                            | 2,600,000                   | 1,300,000                           | 7,800,000                        |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 125,599                              | 47,983                      | 59,550                              | 34,290                           |                                              |                                     |                                                                 |                                                                    |                                          |                                                   |                               |                                    |
| Total Canopy                                                                                            | 23,100,000                   |                                 | Total Solar Panels @ 40%             |                             |                                     |                                  | 482,794                                      | Total Solar Panel Area @ 40%        |                                                                 | 194                                                                | Acres of Solar Panels                    |                                                   |                               |                                    |

| Alternative 4B (4,000 Permits - 70% Outdoor)                              |                 |                  |                      |               |         | Page 1 of 2         |                     |                  |                     |                       |                   |                         |                         |                           |             |       |  |  |  |
|---------------------------------------------------------------------------|-----------------|------------------|----------------------|---------------|---------|---------------------|---------------------|------------------|---------------------|-----------------------|-------------------|-------------------------|-------------------------|---------------------------|-------------|-------|--|--|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 | Land Information |                      |               |         |                     | Canopy Information  |                  |                     |                       |                   | 43,560                  |                         | AE, AG & FR               | RA-Rural    |       |  |  |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres  | 10 acres to 20 acres | Over 20 Acres | Total   | Maximum Canopy      | AE, AG & FR Parcels | RA-Rural Parcels | AE,AG,FR & RA-Rural | Total acres of Canopy | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res. | Total Project Quick Facts |             |       |  |  |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF         | 5,000 SF             | 10,000 SF     |         | 2 to 5 acres        | 27                  | 73               | 100                 |                       |                   | (17)                    | 36                      | Total Employees           |             |       |  |  |  |
| Permit Allocation                                                         | 3%              | 20%              | 40%                  | 38%           | 100%    | 500 SF              | (23,135)            | 36567.70456      | 13,432              | 0.3                   | 0.06%             |                         |                         | 11,702                    |             |       |  |  |  |
| Total Cultivation Permits                                                 | 100             | 800              | 1,600                | 1,500         | 4,000   | 5 to 10 acres       | 279                 | 521              | 800                 |                       |                   | (330)                   | 1,093                   | Electric Use MWh          |             |       |  |  |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830            | 4,097                | 5,358         | 12,666  | 2,500 SF            | (603,279)           | 1301639.344      | 698,361             | 16.0                  | 3.04%             |                         |                         | 584,451                   |             |       |  |  |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%            | 15.06%               | 19.69%        | 46.55%  | 10 to 20 acres      | 1,541               | 59               | 1,600               |                       |                   | 1,808                   | 1,953                   | Solar Panels/40%          |             |       |  |  |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%           | 32.35%               | 42.30%        | 100%    | 5,000 SF            | 7,406,395           | 296802.5384      | 7,703,197           | 176.8                 | 33.59%            |                         |                         | 406,773                   |             |       |  |  |  |
|                                                                           |                 |                  |                      |               |         | Over 20 acres       | 1,452               | 48               | 1,500               |                       |                   | 2,621                   | 2,800                   | Water - Acre Feet         |             |       |  |  |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228            | 5,698                | 6,445         | 27,207  | 10,000 SF           | 14,042,553          | 478723.4043      | 14,521,277          | 333                   | 63.31%            |                         |                         | 830.26                    |             |       |  |  |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%           | 20.94%               | 23.69%        | 100.00% | Total Canopy        | 20,822,534          | 2,113,733        | 22,936,267          | 526.5                 | 100.00%           | 1,644                   | 837                     | 2060 Market Share         |             |       |  |  |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191            | 152                  | 171           | 2,524   |                     |                     |                  |                     |                       |                   |                         |                         | Disturbed Area            | Square Feet | Acres |  |  |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558            | 327                  | 367           | 5,422   | Production SF       |                     |                  |                     |                       |                   |                         |                         | Canopy                    | 25,050,000  | 575.1 |  |  |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021            | 4,249                | 5,529         | 15,190  |                     |                     |                  |                     |                       |                   |                         |                         | 100%                      |             |       |  |  |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786           | 6,025                | 6,812         | 32,629  | Indoor 500 SF       |                     |                  | 175,000             |                       | 0.45%             | Accessory Space         | 23,509,425              | 539.7                     |             |       |  |  |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 0.39%           | 3.40%            | 27.04%               | 22.53%        | 12.13%  | Indoor              |                     |                  | 4,375,000           |                       | 11.13%            | 93.85%                  |                         |                           |             |       |  |  |  |
|                                                                           |                 |                  |                      |               |         | Total Indoor        |                     |                  | 4,550,000           |                       |                   | Other Site Work         | 5,010,000               | 115.0                     |             |       |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 27              | 279              | 1,541                | 1,452         | 3,299   |                     |                     |                  |                     |                       |                   |                         |                         | 20%                       |             |       |  |  |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 73%             | 65%              | 4%                   | 3%            | 20%     | Mixed-light 1       |                     |                  | 7,500,000           |                       | 19.08%            | Subtotal                | 53,569,425              | 1,229.8                   |             |       |  |  |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 73              | 521              | 59                   | 48            | 701     | Mixed-light 2       |                     |                  | 9,750,000           |                       | 24.81%            | 213.85%                 |                         |                           |             |       |  |  |  |
|                                                                           |                 |                  |                      |               |         | Outdoor             |                     |                  | 17,500,000          |                       | 44.53%            | Solar Panels            | 7,135,198               | 163.8                     |             |       |  |  |  |
| Total Permits Issued All zones                                            | 100             | 800              | 1,600                | 1,500         | 4,000   | Total Production SF |                     |                  | 39,300,000          |                       | 100.00%           | 28.48%                  | Disturbed SF            | Disturbed Acres           |             |       |  |  |  |
|                                                                           |                 |                  |                      |               |         |                     |                     |                  |                     |                       |                   | 242.33%                 | 60,704,623              | 1,393.6                   |             |       |  |  |  |

| Alternative 4B (4,000 Permits - 70% Outdoor) |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
|----------------------------------------------|--|--------------------|----------------------|---------------------------|---------------------|------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|---------------|----------------------|---------------------------|--------------------------------------|-------------------------------------|
| February 16, 2019 by: Plan-aire.com          |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Cannabis Production Area                     |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
|                                              |  | 2 Acres to 5 Acres |                      |                           | 5 Acres to 10 Acres |                        |                           | 10 Acres to 20 Acres                            |                      |                           | Over 20 Acres |                      |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |
| AG, AE and FR zones                          |  | % of Canopy        | Grow Cycles per Year | Annual S.F. of Production | % of Canopy         | Grow Cycles per Year   | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy   | Grow Cycles per Year | Annual S.F. of Production |                                      |                                     |
| Maximum Canopy Size - Square Feet            |  | 500                |                      |                           | 2,500               |                        |                           | 5,000                                           |                      |                           | 10,000        |                      |                           |                                      |                                     |
| 500 Square Feet Indoors                      |  | 100%               |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  | 100                | 3.5                  | 175,000                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           | 175,000                              | 18,442                              |
| Total Square Feet of Canopy - Annually       |  |                    |                      | 175,000                   |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| 2,500 Square Feet                            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           | 800                 |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 5.00%               | 3.5                    | 350,000                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 12.00%              | 2.5                    | 600,000                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 13.00%              | 3                      | 780,000                   |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 70.00%              | 1                      | 1,400,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 3,130,000                 |                                                 |                      |                           |               |                      |                           | 3,130,000                            | 329,844                             |
| 5,000 Square Feet                            |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           |                     |                        |                           | 1,600                                           |                      |                           |               |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 5.00%               | 3.5                    | 1,400,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 12.00%              | 2.5                    | 2,400,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 13.00%              | 3                      | 3,120,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 70.00%              | 1                      | 5,600,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 12,520,000                |                                                 |                      |                           |               |                      |                           | 12,520,000                           | 1,319,377                           |
| 10,000 Square Feet                           |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Parcels                                      |  |                    |                      |                           |                     |                        |                           |                                                 |                      |                           | 1,500         |                      |                           |                                      |                                     |
| Indoors                                      |  |                    |                      |                           | 5.00%               | 3.5                    | 2,625,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 1                                |  |                    |                      |                           | 12.00%              | 2.5                    | 4,500,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Mixed Light 2                                |  |                    |                      |                           | 13.00%              | 3                      | 5,850,000                 |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Outdoors                                     |  |                    |                      |                           | 70.00%              | 1                      | 10,500,000                |                                                 |                      |                           |               |                      |                           |                                      |                                     |
| Total Square Feet of Canopy - Annually       |  |                    |                      |                           | 100.00%             |                        | 23,475,000                |                                                 |                      |                           |               |                      |                           | 23,475,000                           | 2,473,831                           |
| Gross Production Before Adjustments          |  |                    | 4,141,493            | % of 2060 Market Share    | 113.1%              | % of 2040 Market Share | 123.7%                    | % of 2016 Production Level                      | 159.2%               |                           |               |                      |                           |                                      |                                     |
| Adjustment for Effectiveness                 |  | -40.68%            | 2,456,734            | Net Potential Crop        |                     | Total Parcels          | 4,000                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |               |                      |                           | 39,300,000                           | 4,141,493                           |
| Loss Before Trimming                         |  | -12.50%            | 2,149,642            | Net Production            |                     | Grams per Square Feet  | 47.8                      | Total Grams of Production                       |                      |                           |               |                      |                           | 1,878,540,000                        |                                     |
| Adjustment for Lab Testing                   |  | -12.50%            | 1,880,937            | Total Saleable Pounds     |                     | Grams per Pound        | 453.59                    | Total Pounds of Production                      |                      |                           |               |                      |                           | 4,141,493                            |                                     |

| Alternative 4B (4,000 Permits - 70% Outdoor)                                                            |                              |                                 | Page 2 of 2                                          |                              | February 16, 2019 by: Plan-aire.com |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
|---------------------------------------------------------------------------------------------------------|------------------------------|---------------------------------|------------------------------------------------------|------------------------------|-------------------------------------|-----------------------|------------------------------------------------|------------------------------------------------|-----------------------------------------------------------------|--------------------------------------------------------------------|---------------------------------------------------|---------------------------------------------|--------------------------------------------|--|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                              |                                 |                                                      |                              |                                     |                       | Cultivation Average Total Employees Per Parcel | Cultivation Only Number of Full Time Employees | Cultivation Number of Full Time Employees Per Permit            | Trimming Only Number of Full Time Employees                        | Trimming Number of Full Time Employees Per Permit | Total Project Number of Full Time Employees | Average Full Time Employees By Parcel Size |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Indoor                                               | Mixed-light Tier 1           | Mixed-light Tier 2                  | Outdoor 1/2 Year Only |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 2-5 acres                                                                                               | 500                          | 100                             | 0.5                                                  |                              | 0                                   | 0                     | 0.5                                            | 50                                             |                                                                 | 29                                                                 |                                                   | 79                                          | 0.79                                       |  |
|                                                                                                         |                              | 100                             |                                                      |                              |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 5-10 acres                                                                                              | 2,500                        | 800                             | 1.5                                                  | 1.25                         | 1.5                                 | 0.5                   | 1.19                                           | 616                                            |                                                                 | 514                                                                |                                                   | 1,130                                       | 1.41                                       |  |
|                                                                                                         |                              | 800                             | 40                                                   | 96                           | 104                                 | 560                   |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| 10-20 acres                                                                                             | 5,000                        | 1,600                           | 2                                                    | 1.75                         | 2                                   | 0.75                  | 1.63                                           | 1,752                                          |                                                                 | 2,054                                                              |                                                   | 3,806                                       | 2.38                                       |  |
|                                                                                                         |                              | 1,600                           | 80                                                   | 192                          | 208                                 | 1120                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Over 20 acres                                                                                           | 10,000                       | 1,500                           | 3                                                    | 2.5                          | 3                                   | 1.5                   | 2.50                                           | 2,835                                          |                                                                 | 3,852                                                              |                                                   | 6,687                                       | 4.46                                       |  |
|                                                                                                         |                              | 1,500                           | 75                                                   | 180                          | 195                                 | 1050                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Total Permits                                                                                           |                              | 4,000                           |                                                      |                              |                                     |                       | Total Cultivation Employees                    | 5,253                                          | 1.31                                                            | 6,449                                                              | 1.61                                              | 11,702                                      | 2.93                                       |  |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                              |                                 |                                                      |                              |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Parcel Size                                                                                             | Cultivation Area Square Feet | Total Project Number of Permits | Conversion                                           | Yield                        |                                     |                       |                                                | Trimming Hours Per Pound                       | Per Parcel Full Time Equivalent Employees Required for Trimming | Total Project Full Time Equivalent Employees Required for Trimming | Project Water Use                                 |                                             |                                            |  |
|                                                                                                         |                              |                                 | 0.51905                                              | Indoor                       | Mixed-light Tier 1                  | Mixed-light Tier 2    | Outdoor                                        |                                                |                                                                 |                                                                    | Water Use Gallons Per Permitted Site 6 Gal./Plant | Number of Permits Issued                    | Total Project Gallons Per Year             |  |
| 2-5 acres - Pounds of Net Production                                                                    | 500                          | 100                             | 9,572                                                | -                            | -                                   | -                     | 9,572                                          | 6                                              | 0.29                                                            | 29                                                                 | 5,400                                             | 100                                         | 540,000                                    |  |
| Square Feet of Production                                                                               |                              |                                 | 175,000                                              |                              |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.29                                                 | -                            | -                                   | -                     | -                                              |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                        | 800                             | 19,144                                               | 32,819                       | 42,665                              | 76,578                | 171,206                                        | 6                                              | 0.64                                                            | 514                                                                | 27,000                                            | 800                                         | 21,600,000                                 |  |
| Square Feet of Production                                                                               |                              |                                 | 350,000                                              | 600,000                      | 780,000                             | 1,400,000             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.07                                                 | 0.12                         | 0.16                                | 0.29                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                        | 1,600                           | 76,578                                               | 131,276                      | 170,659                             | 306,310               | 684,822                                        | 6                                              | 1.28                                                            | 2,054                                                              | 54,000                                            | 1,600                                       | 86,400,000                                 |  |
| Square Feet of Production                                                                               |                              |                                 | 1,400,000                                            | 2,400,000                    | 3,120,000                           | 5,600,000             |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.14                                                 | 0.25                         | 0.32                                | 0.57                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                       | 1,500                           | 143,583                                              | 246,142                      | 319,985                             | 574,332               | 1,284,042                                      | 6                                              | 2.57                                                            | 3,852                                                              | 108,000                                           | 1,500                                       | 162,000,000                                |  |
| Square Feet of Production                                                                               |                              |                                 | 2,625,000                                            | 4,500,000                    | 5,850,000                           | 10,500,000            |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
|                                                                                                         |                              |                                 | 0.29                                                 | 0.49                         | 0.64                                | 1.15                  |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | -                                          |  |
| Total Permits                                                                                           |                              | 4,000                           |                                                      |                              |                                     |                       | Total Net Production Before Trimming           | 2,149,642                                      | See Table Above for Total Employees                             |                                                                    | Total Water Gallons                               |                                             | 270,540,000                                |  |
|                                                                                                         |                              |                                 |                                                      |                              |                                     |                       |                                                | Trimming Employees Only                        | 6,449                                                           |                                                                    |                                                   |                                             | Total Acre Feet                            |  |
|                                                                                                         |                              |                                 |                                                      |                              |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | 830.26                                     |  |
| Electric Use for Project                                                                                |                              | Cultivation Area Square Feet    | Electric Use kWh per S.F. per Year- Cultivation Only |                              |                                     |                       |                                                | Electric Use Accessory Buildings               |                                                                 |                                                                    |                                                   | Electric Use Notes:                         |                                            |  |
|                                                                                                         |                              |                                 | Indoor                                               | Mixed-light Tier 1           | Mixed-light Tier 2                  | Outdoor               | Total kW Hours                                 | Indoor                                         | Mixed-light Tier 1                                              | Mixed-light Tier 2                                                 | Outdoor                                           | Total kW Hours                              | Lighting HVAC                              |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 100                             | 135                                                  |                              |                                     |                       |                                                | 3.82                                           | Note: Accessory Structures: 93.85% of Canopy                    |                                                                    |                                                   |                                             | 100                                        |  |
| Square Feet of Production                                                                               |                              |                                 | 50,000                                               |                              |                                     |                       |                                                | 50,000                                         | Processing Area: 9.6%, Warehouse: 22.4%                         |                                                                    |                                                   |                                             | 35                                         |  |
|                                                                                                         |                              |                                 | 6,750,000                                            |                              |                                     |                       | 6,750,000                                      | 190,820                                        | Ag. Build: 36.85%, Immature Plants: 25%                         |                                                                    |                                                   |                                             | Mixed-light 1: kWh per SF                  |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 800                             | 135                                                  | 22.7                         | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | 15                                         |  |
| Square Feet of Production                                                                               |                              |                                 | 100,000                                              | 240,000                      | 260,000                             | 1,400,000             |                                                | 100,000                                        | 240,000                                                         | 260,000                                                            | 1,400,000                                         |                                             | Mixed-light 2: kWh per SF                  |  |
|                                                                                                         |                              |                                 | 13,500,000                                           | 5,448,000                    | 16,120,000                          | 3,500,000             | 38,568,000                                     | 381,640                                        | 915,936                                                         | 992,264                                                            | 5,342,960                                         |                                             | 30                                         |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,600                           | 135                                                  | 22.7                         | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | Outdoor: kWh per SF                        |  |
| Square Feet of Production                                                                               |                              |                                 | 400,000                                              | 960,000                      | 1,040,000                           | 5,600,000             |                                                | 400,000                                        | 960,000                                                         | 1,040,000                                                          | 5,600,000                                         |                                             | 0.5                                        |  |
|                                                                                                         |                              |                                 | 54,000,000                                           | 21,792,000                   | 64,480,000                          | 14,000,000            | 154,272,000                                    | 1,526,560                                      | 3,663,744                                                       | 3,969,056                                                          | 21,371,840                                        |                                             | 2                                          |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,500                           | 135                                                  | 22.7                         | 62                                  | 2.5                   |                                                | 3.82                                           | 3.82                                                            | 3.82                                                               | 3.82                                              |                                             | Accessory Buildings % of Canopy            |  |
| Square Feet of Production                                                                               |                              |                                 | 750,000                                              | 1,800,000                    | 1,950,000                           | 10,500,000            |                                                | 750,000                                        | 1,800,000                                                       | 1,950,000                                                          | 10,500,000                                        |                                             | Processing 11.8 kWh/SF at 9.6%             |  |
|                                                                                                         |                              |                                 | 101,250,000                                          | 40,860,000                   | 120,900,000                         | 26,250,000            | 289,260,000                                    | 2,862,300                                      | 6,869,520                                                       | 7,441,980                                                          | 40,072,200                                        |                                             | Warehouse 6.4 kWh/SF at 22.4%              |  |
|                                                                                                         |                              |                                 |                                                      |                              |                                     | kW Hours              | 488,850,000                                    |                                                |                                                                 |                                                                    | kW Hours                                          | 95,600,820                                  | Total Project Electric Use                 |  |
|                                                                                                         |                              |                                 |                                                      |                              |                                     | Megawatts             | 488,850                                        |                                                |                                                                 |                                                                    | Gigawatts                                         | 96                                          | 584,450,820 kWh Hours                      |  |
|                                                                                                         |                              |                                 |                                                      |                              |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | 584,451 Megawatts                          |  |
|                                                                                                         |                              |                                 |                                                      |                              |                                     |                       |                                                |                                                |                                                                 |                                                                    |                                                   |                                             | 584 Gigawatts                              |  |
| Solar Panels - Renewable Energy                                                                         |                              | 40% of Total Project Use        |                                                      | Use of 350 Watt Solar Panels |                                     |                       |                                                | Solar Calculations                             |                                                                 |                                                                    |                                                   |                                             |                                            |  |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                              |                                 |                                                      | Indoor                       | Mixed-light Tier 1                  | Mixed-light Tier 2    | Outdoor                                        | Includes Cultivation & Accessory SF            | One 350W Solar Panel                                            |                                                                    | % Supplied by Solar Energy                        |                                             |                                            |  |
|                                                                                                         |                              |                                 |                                                      |                              |                                     |                       | Total Solar Panels                             | kWh per SF                                     | kWh Year                                                        | S.F. / Panel                                                       |                                                   |                                             |                                            |  |
| 2-5 acres - Electric Use per Permit                                                                     | 500                          | 100                             | 50,000                                               |                              |                                     |                       |                                                |                                                | 574.72                                                          | 17.541                                                             | 50%                                               | 45%                                         | 40%                                        |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 4,831                                                |                              |                                     |                       | 4,831                                          | Indoor                                         | 138.82                                                          | 0.24                                                               | 0.121                                             | 0.109                                       | 0.097                                      |  |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                        | 800                             | 100,000                                              | 240,000                      | 260,000                             | 1,400,000             |                                                | Mixed-light 1                                  | 26.52                                                           | 0.05                                                               | 0.023                                             | 0.021                                       | 0.018                                      |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 9,661                                                | 4,429                        | 11,910                              | 6,155                 | 32,155                                         | Mixed-light 2                                  | 65.82                                                           | 0.11                                                               | 0.057                                             | 0.052                                       | 0.046                                      |  |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                        | 1,600                           | 400,000                                              | 960,000                      | 1,040,000                           | 5,600,000             |                                                | Outdoor                                        | 6.32                                                            | 0.01                                                               | 0.005                                             | 0.005                                       | 0.004                                      |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 38,646                                               | 17,717                       | 47,640                              | 24,618                | 128,621                                        | Avg. House                                     | 4.518                                                           | 0.01                                                               | 0.004                                             | 0.004                                       | 0.003                                      |  |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                       | 1,500                           | 750,000                                              | 1,800,000                    | 1,950,000                           | 10,500,000            |                                                | 1,800 SF Nevada County 2016                    |                                                                 |                                                                    | Avg. No. Panels for 1,800 SF House @40%           |                                             |                                            |  |
| Number of 350 Watt Solar Panels Required                                                                |                              |                                 | 72,461                                               | 33,219                       | 89,325                              | 46,160                | 241,165                                        | 43,560                                         |                                                                 |                                                                    | 7,135,198                                         | Total Square Feet of Solar Panels           |                                            |  |
| Total Canopy                                                                                            | 25,050,000                   |                                 |                                                      |                              |                                     |                       | 406,773                                        | Total Solar Panel Area @ 40%                   |                                                                 |                                                                    | 164                                               | Acres of Solar Panels                       |                                            |  |

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## Section B – Calculating Yield

### Other Factors Affecting Yield

Some key factors which affect cultivation yield are: weather (Nevada County has about the best weather in the world for growing outdoor cannabis), experience, type of grow, wattage of artificial lights, type of plant, is hydroponics being used, is CO2 being used, how many plants – few big plants or many smaller plants, what is the nutrient regime, every grower is trying to get the highest yield from their plants within their licensed canopy area, and the overall yield is always going up, not down. Most growers consider plant yield as the most important matrix to measure, and the state taxes' on the amount of cannabis grown, not how pretty the plants are or what % the THS or CBD content is.

### Calculating Gross Yield

Yield is also generally measured by the amount of trimmed flower which is sold. The leftover cannabis from the after trimming, generally called trim, is sold as well as converted to manufactured products such as tinctures and edibles, which is a considerable volume and is taxed at \$2.75 per dry-weight ounce of cannabis leaves, compared to \$9.25 per dry-weight of cannabis flowers, which are the current tax rates in California which became effective on January 1, 2018. Cannabis is generally measured in one of three ways, by the ounce, by the pound or by the gram and yield is often expressed in grams per square foot, probably because many of the studies available for cannabis yield originated in the Netherlands. An average of 47.8\* grams per square foot was used in all calculations in the study. A 1,000 square foot canopy would produce 47,800 grams or 105.38 pounds. (A detailed analysis of the average yield per square foot is included in the Appendix of this document. There are 181 data points examined in the study. See \* note below).

Given that about 47.8\* grams per square foot is an average yield for cultivation (analysis show that indoor will produce approximately the same amount per square foot as outdoor), about 4,590.4 pounds (47.8 grams x 43,560 sf / 453.59 grams per pound) could be produced from a single acre. So 3,000,000 pounds net + 25% crop loss due to testing and other cultivation losses = 4,000,000 pounds gross. This 4.0 million pounds gross / 4,590.4 pounds per acre = 871.4 acres would be required to produce the states year 2021 demand with only outdoor cultivation. If only indoors and mixed light operations were used and completely replaced outdoor cultivation, and only produced three crops per year in the same square footage (Which is a low estimate), the total acreage required would be about 290 acres. Using 1/3 outdoors, 1/3 mixed-light and 1/3 indoors the entire state demand in the year 2021 could be supplied on 373.5 acres. This assumes 100% efficiency and a 25% crop loss.

The unregulated market will of course supply maybe at least half of that demand for at least the foreseeable future. Having cultivation caps, limiting farm sizes and/or limiting

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the number of licenses held by a single entity may be very important considerations for regulators, who wish to support small cultivators that want to successfully operate in the regulated market. These of course are decisions for the State Legislature.

\*The average yield used in this analysis was derived from a study called “Summary of Yield for all Outdoor Cultivation Sites” prepared by BOTECH analysis. In the following Appendix attached to this study, the yield per square foot was carefully reexamined and the results of this new analysis are provided which used a far larger sample size and included indoor cultivation. There are 181 data points and the average was 45.26 grams per square foot.

Using the 45.26 grams per square foot for calculations would reduce the total project size from about 29.0 million pounds to 27.46 million pounds. The smaller number is 94.69% of the 47.8 grams used in the calculations for the Draft EIR. The 47.8 grams is more conservative which, for the purpose of determining project impacts, is consistent with other sections of the Draft EIR as analyzed by the consultant team who prepared the Draft EIR document. The 47.8 grams is 5.61% higher than the 45.26 grams which is probably insignificant statistically, considering the size of the project and the numerous variables that must be assumed to prepare a Program Level EIR.

Another consideration is that the competition for market share is focusing cultivator’s attention to improve overall yield per square foot and lower the cost of production. Innovations including new technologies and equipment, new techniques and refined strains of cannabis adopted for higher yields, along with more professional growers managing operations will push the yields per square foot higher in the future. Very little information is posted online which displays actual yields of cannabis production. The State of California collects taxes based on ounces, which could be converted to grams for a standard comparison. If the data were made available, which the state collects for each farm, where the type of license and size of canopy is part of the information known, there would be a large new source of yield information available for determining the overall yield in grams per square foot.

Commercial cannabis cultivation is a business. These are not hobby farms anymore.

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| Cultivation Yield Calculation Worksheet Summary of 98 Cultivations |                                                          |                                          |                              |                                |                |                                         |                               |                                                   |
|--------------------------------------------------------------------|----------------------------------------------------------|------------------------------------------|------------------------------|--------------------------------|----------------|-----------------------------------------|-------------------------------|---------------------------------------------------|
| Notes:                                                             | Type of Cultivation                                      | Average Grams per Square Meters          | Square feet per Square Meter | Grams per Square Foot per Year | Grows per Year | Grams per Square Foot - 1 Grow per Year | Average Grams per Square Foot | Average Grams per Square Foot Deleting Duplicates |
|                                                                    | Indoor Cultivation Legget 2006 Study No.                 |                                          | 10.764                       |                                |                |                                         |                               |                                                   |
|                                                                    | 1                                                        | 1,500                                    |                              | 139.353                        | 4              | 34.838                                  | 34.838                        | 34.838                                            |
|                                                                    | 2                                                        |                                          |                              | 0.000                          |                |                                         |                               |                                                   |
|                                                                    | 3                                                        | 1,400                                    |                              | 130.063                        | 3.5            | 37.161                                  | 37.161                        | 37.161                                            |
|                                                                    | 4                                                        |                                          |                              | 0.000                          |                |                                         |                               |                                                   |
|                                                                    | 5                                                        | 1,656                                    |                              | 153.846                        | 4              | 38.462                                  | 38.462                        | 38.462                                            |
|                                                                    | 6                                                        | 2,268                                    |                              | 210.702                        | 3              | 70.234                                  | 70.234                        | 70.234                                            |
|                                                                    | 7                                                        | 1,512                                    |                              | 140.468                        | 3              | 46.823                                  | 46.823                        | 46.823                                            |
|                                                                    | 8                                                        | 2,060                                    |                              | 191.379                        | 4              | 47.845                                  | 47.845                        | 47.845                                            |
|                                                                    | 9                                                        | 112                                      |                              | 10.405                         | 4              | 2.601                                   | 2.601                         | 2.601                                             |
|                                                                    | 10                                                       |                                          |                              | 0.000                          |                |                                         |                               |                                                   |
|                                                                    | Average                                                  | 1501.142857                              |                              | 139.460                        | 3.6428571      | 39.709                                  |                               |                                                   |
|                                                                    | Legget 2006 Table 3, pp.27-29                            |                                          |                              |                                |                |                                         |                               |                                                   |
| Included at 35                                                     | Avg. of 35 Harvests                                      | 500                                      |                              | 46.451                         | 1              | 46.451                                  | 46.451                        | 46.451                                            |
|                                                                    | Toonen et. Al.                                           |                                          |                              |                                |                |                                         |                               |                                                   |
|                                                                    | 366 to 610 g/m2                                          | 488                                      |                              | 45.336                         | 1              | 45.336                                  | 45.336                        |                                                   |
|                                                                    | Vanhove et al. Big Bud & Super Skunk under 600W          |                                          |                              | 40.7                           |                | 40.7                                    | 40.700                        | 40.700                                            |
| Indoor Annual Yield                                                | Vanhove et al.                                           | 575                                      |                              | 53.419                         |                | 53.419                                  | 53.419                        | 53.419                                            |
| NPK Fertilizers                                                    | Vanhove (2013)                                           | 575                                      |                              | 53.419                         |                | 53.419                                  | 53.419                        | 53.419                                            |
| Hydroponic Screen of Green Problems with all Grows -               | Knight et al. (2010)                                     |                                          |                              | 32.7                           |                | 32.7                                    | 32.700                        | 32.700                                            |
|                                                                    | Cervantes (2006)                                         |                                          |                              | 41.3                           |                | 41.3                                    | 41.300                        |                                                   |
|                                                                    | Crop #1                                                  |                                          |                              | 29.6                           |                | 29.6                                    | 29.600                        | 29.600                                            |
|                                                                    | Crop #2                                                  |                                          |                              | 48.4                           |                | 48.4                                    | 48.400                        | 48.400                                            |
|                                                                    | Crop #3                                                  |                                          |                              | 53                             |                | 53                                      | 53.000                        | 53.000                                            |
|                                                                    | Cervantes Rule of Thumb                                  |                                          |                              |                                |                |                                         |                               |                                                   |
| 0.5g-1g/Watt                                                       | Typical Light = 31.25g-62.5g/sq. ft.                     |                                          |                              | 46.875                         |                | 46.875                                  | 46.875                        | 46.875                                            |
|                                                                    | Rosenthal                                                |                                          |                              | 44                             |                | 44                                      | 44.000                        |                                                   |
| 1,000 Watt lamp produces 375-1,000g every 16 sq. ft.               | 23.43 g-62.5g per sq. ft.                                |                                          |                              | 42.965                         |                | 42.965                                  | 42.965                        | 42.965                                            |
|                                                                    | Cannabis Business Times Survey - Sept. 2016              | 20g to Over 60g per square foot          |                              | 39.5                           |                | 39.5                                    | 39.500                        | 39.500                                            |
| Indoor                                                             | Fritzel - Colorado Marijuana Business Magazine July 2016 | 45-50 grams / SF w/ 1 crop at 71g per SF |                              | 47.5                           |                | 47.5                                    | 47.500                        | 47.500                                            |
|                                                                    | I Love Growing Marijuana                                 |                                          |                              |                                |                |                                         |                               |                                                   |
|                                                                    | 600 Watts                                                | 1 gram per Watt                          | 600                          | 55.741                         |                | 55.741                                  | 55.741                        | 55.741                                            |
| Hydroponic                                                         | 600 Watts                                                | 1.2 gram per Watt                        | 600                          | 66.890                         |                | 66.890                                  | 66.890                        | 66.890                                            |
|                                                                    | 500 grams per plant                                      |                                          |                              |                                |                |                                         |                               |                                                   |
|                                                                    | Annex 2 UNODC.org                                        | 300 g to 800 g /square meter             |                              |                                |                |                                         |                               |                                                   |
| 1 Square Meter = 10.764 Square Feet                                | 10.764                                                   | 500 g / square meter avg.                | 500                          | 46.451                         |                | 46.451                                  | 46.451                        | 46.451                                            |

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| Source                | Item / Respondent                                     | Details of Mode                                                | Minimum | Maximum | Arithmetic Average    | Geometric Average | Average Grams per Square Foot | Average Grams per Square Foot Deleting Duplicates |
|-----------------------|-------------------------------------------------------|----------------------------------------------------------------|---------|---------|-----------------------|-------------------|-------------------------------|---------------------------------------------------|
| BOTEC                 | Indoor                                                |                                                                |         |         |                       |                   |                               |                                                   |
| Interview #1          | #1                                                    |                                                                | 20      | 70      | 45                    | 37.4              | 45                            | 37.4                                              |
|                       | #2                                                    |                                                                | 28.375  | 78.03   | 53.025                | 47.1              | 53.025                        | 47.1                                              |
|                       | #3                                                    |                                                                | 20      | 70      | 45                    | 37.4              | 45                            | 37.4                                              |
|                       | #4                                                    |                                                                | 20      | 70      | 45                    | 37.4              | 45                            | 37.4                                              |
|                       | #5                                                    |                                                                | 15      | 70      | 45                    | 37.4              | 45                            | 37.4                                              |
|                       | #6                                                    |                                                                | 28      | 60      | 37.5                  | 30                | 37.5                          | 30                                                |
|                       | #7                                                    |                                                                | 30      | 56      | 42                    | 39.6              | 42                            | 39.6                                              |
|                       | #8                                                    |                                                                | 30      | 60      | 45                    | 42.4              | 45                            | 42.4                                              |
| BOTEC                 |                                                       |                                                                |         |         |                       |                   |                               |                                                   |
| Interview #2          | #1                                                    |                                                                | 30      | 50      | 40                    | 38.7              | 40                            | 38.7                                              |
|                       | #2                                                    |                                                                | 28      | 42      | 35                    | 34.3              | 35                            | 34.3                                              |
|                       | #3                                                    |                                                                | 41      | 46      | 43.5                  | 43.4              | 43.5                          | 43.4                                              |
|                       | #4                                                    |                                                                | 20      | 40      | 30                    | 28.3              | 30                            | 28.3                                              |
|                       | #5                                                    |                                                                | 28      | 36      | 32                    | 31.7              | 32                            | 31.7                                              |
|                       | #6                                                    |                                                                | 23      | 46      | 34.5                  | 32.5              | 34.5                          | 32.5                                              |
| Legget (2006)         | #1                                                    | Indoor Scientific                                              | 37      | 56      | 46.5                  | 45.5              | 46.5                          | 45.5                                              |
|                       | #2                                                    | Indoor Scientific                                              | 17      | 65      | 40.9                  | 33                | 40.9                          | 33                                                |
|                       | #3                                                    | Indica / Sativa 1 m indoors                                    | 37      | 37      | 37.2                  | 37.2              | 37.2                          | 37.2                                              |
|                       | #4                                                    | Indoor Skunk #1                                                | 14      | 28      | 20.9                  | 19.7              | 20.9                          | 19.7                                              |
|                       | #5                                                    | Indoor Sea of Green                                            | 30      | 47      | 38.5                  | 37.5              | 38.5                          | 37.5                                              |
|                       | #6                                                    | Indoor Screen of Green                                         | 70      | 70      | 70.2                  | 70.2              | 70.2                          | 70.2                                              |
|                       | #7                                                    | Indoor Screen of Green                                         | 47      | 47      | 46.8                  | 46.8              | 46.8                          | 46.8                                              |
|                       | #8                                                    | Unspecified Indoor                                             | 63      | 63      | 63.2                  | 63.2              | 63.2                          | 63.2                                              |
| Dropped as Outlier    | #9                                                    | Indoor Hydroponics                                             |         |         |                       |                   |                               |                                                   |
|                       | #10                                                   | Indoors                                                        | 28      | 56      | 41.8                  | 39.4              | 41.8                          | 39.4                                              |
| Tooneen et al. (2006) | Average of 86 Samples Average 505 grams /square meter | Samples obtained from law enforcement raids in the Netherlands | 46.9    | 46.9    | 46.9                  | 46.9              | 46.9                          | 46.9                                              |
| vanHove et al. (2011) |                                                       | 400 Watts / sq. meter                                          | 11.6    | 31.45   | 21.5                  | 19.1              | 21.5                          | 19.1                                              |
|                       |                                                       | 600 Watts / sq. meter                                          | 21.44   | 44.9    | 33.2                  | 31                | 33.2                          | 31                                                |
| Knight et al. (2010)  |                                                       | Screen of Green                                                | 32.7    | 32.7    | 32.7                  | 32.7              | 32.7                          | 32.7                                              |
| Cervantes (2006)      |                                                       |                                                                | 29.6    | 53      | 41.3                  | 39.6              | 41.3                          | 39.6                                              |
| Rosenthal             |                                                       |                                                                | 25.43   | 62.5    | 44                    | 39.9              | 44                            | 39.9                                              |
|                       | BOTEC Total Indoor Across All                         |                                                                |         |         | 41.3                  | 38.6              |                               |                                                   |
|                       | Summary of Yield For All Indoor Cultivation           |                                                                |         |         |                       | 54 Entries        | 2310.336                      | 2100.874                                          |
|                       |                                                       |                                                                |         |         |                       | Average           | 42.784                        |                                                   |
|                       |                                                       | Adjust for 35 grows which Average 46.451                       |         |         |                       |                   | 1627.850                      |                                                   |
|                       | 89 Entries                                            |                                                                |         |         | Grams per Square Foot |                   | 44.249                        |                                                   |
|                       |                                                       | 51 Entries -Delete Double Count                                |         |         |                       |                   |                               | 41.194                                            |
|                       |                                                       | Adjust for 35 grows which Average 46.451                       |         |         |                       |                   |                               | 1627.850                                          |
|                       | 86                                                    |                                                                |         |         | Grams per Square Foot |                   |                               | 43.357                                            |
| Add Toonen Study      | 86 Samples Avg.                                       | 86 x 46.9 = 4,033.4                                            | 86      | 46.9    | 4,033.40              | 3,728.72          | 7,762.12                      |                                                   |
|                       | Grams per Square                                      | 86 Entries Above +                                             |         |         | 172                   | 45.13             |                               | 45.13                                             |

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| Outdoor Cultivation Source                             | Item / Respondent                                              | Details of Mode     | Minimum                                     | Maximum | Arithmetic Average     | Geometric Average     | Average Grams per Square Foot | Average Grams per Square Foot Deleting Duplicates |
|--------------------------------------------------------|----------------------------------------------------------------|---------------------|---------------------------------------------|---------|------------------------|-----------------------|-------------------------------|---------------------------------------------------|
| Outdoor BOTEC                                          |                                                                |                     |                                             |         |                        |                       |                               |                                                   |
| Interview #1                                           | #9                                                             |                     | 27.24                                       | 27.24   | 27.24                  | 27.2                  | 27.24                         | 27.24                                             |
| Interview #2                                           | #1                                                             |                     | 40                                          | 70      | 55                     | 52.9                  | 55                            | 55                                                |
|                                                        | #2 - No Response                                               |                     |                                             |         |                        |                       |                               |                                                   |
|                                                        | #3                                                             |                     | 93                                          | 93      | 93                     | 93                    | 93                            | 93                                                |
|                                                        | #4                                                             |                     | 25                                          | 50      | 37.5                   | 35.4                  | 37.5                          | 37.5                                              |
|                                                        | #5                                                             |                     | 112                                         | 112     | 112                    | 112                   | 112                           | 112                                               |
| Leggett (2006)                                         | #1                                                             | Outdoor rain-fed    | 14                                          | 14      | 14.1                   | 14.1                  | 14.1                          | 14.1                                              |
|                                                        | #2                                                             | Outdoor Irrigated   | 24                                          | 24      | 23.6                   | 23.6                  | 23.6                          | 23.6                                              |
|                                                        | #3                                                             | Unspecified         | 14                                          | 28      | 21.2                   | 20                    | 21.2                          | 21.2                                              |
|                                                        | #4                                                             | Outdoor             | 46                                          | 46      | 46.5                   | 46.5                  | 46.5                          | 46.5                                              |
|                                                        | Summary of Yield For All Outdoor Cultivation                   |                     |                                             |         | 47.8                   | 47.2                  |                               |                                                   |
|                                                        | The 47.8 Grams per Square Foot was Used for Draft EIR Analysis |                     |                                             |         |                        |                       | 430.140                       | 430.140                                           |
|                                                        | 9 Entries                                                      |                     | Grams per Square Foot                       |         |                        |                       | 47.793                        |                                                   |
|                                                        |                                                                |                     |                                             |         |                        |                       |                               |                                                   |
|                                                        | Summary of Yield For All Cultivation Sites                     |                     |                                             |         | Average All 98 Entries |                       | 4368.326                      |                                                   |
|                                                        | Includes                                                       | 98                  | Grams per Square Foot                       |         |                        | 44.575                |                               |                                                   |
|                                                        |                                                                |                     | Delete Double Count: Average All 95 Entries |         |                        |                       | 4158.864                      |                                                   |
|                                                        |                                                                | 95                  | Grams per Square Foot                       |         |                        |                       | 43.778                        |                                                   |
| Add Toonen Study                                       | 86 Samples Avg. 46.9                                           | 86 x 46.9 = 4,033.4 | 86                                          | 46.9    | 4,033.40               | 4,158.86              | 8,192.26                      |                                                   |
|                                                        | Grams per Square                                               | 86 Entries Above +  |                                             |         | 181                    | 45.26                 |                               |                                                   |
| Summary of Yield For All Cultivation Sites inc. Toonen |                                                                |                     |                                             |         |                        | Grams per Square Foot |                               | 45.26                                             |

Summary: Using the average yield for 181 cultivation sites in the above calculations, the average yield per Square Foot is 45.26 grams.

In the review comments provided for the Draft EIR for Nevada County on February 4, 2019 an average yield of 47.8 grams per Square Foot was used which came from the Summary of Yield for All Outdoor Cultivation Sites shown above in the BOTEC analysis.

Using the 45.26 grams per square foot for calculations would reduce the total project size from about 29.0 million pounds to 27.46 million pounds. The smaller number is 94.69% of the 47.8 grams used in the calculations for the Draft EIR. The 47.8 grams is more conservative which, for the purpose of determining project impacts, is consistent with other sections of the Draft EIR as analyzed by the consultant team who prepared the Draft EIR document. The 47.8 grams is 5.61% higher than the 45.26 grams which is probably insignificant statistically, considering the size of the project and the numerous variables that must be assumed to prepare a Program Level EIR.

Another consideration is that the competition for market share is focusing cultivator's attention to improve overall yield per square foot and lower the cost of production. Innovations including new technologies and equipment, new techniques and refined strains of cannabis adopted for higher yields, along with more professional growers

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managing operations will push the yields per square foot higher in the future. Very little information is posted online which displays actual yields of cannabis production. The State of California collects taxes based on ounces, which could be converted to grams for a standard comparison. If the data were made available, which the state collects for each farm, where the type of license and size of canopy is part of the information known, there would be a large new source of yield information available for determining the overall yield in grams per square foot.

The following sources of information were utilized to prepare portions of the data for the charts above. Portions of the documents are added below for additional clarification. The complete documents are available online for review.

### Sources Sited:

#### RAND Corporation

*From Page 3 – Working Paper – Estimated Cost of Production for Legalized Cannabis, Jonathan P. Caulkins July 2010; RAND Drug Policy Research Center*  
[https://www.rand.org/content/dam/rand/pubs/working\\_papers/2010/RAND\\_WR764.pdf](https://www.rand.org/content/dam/rand/pubs/working_papers/2010/RAND_WR764.pdf)

Yield estimates are grounded in Toonen et al.'s (2006) study of 77 illegal, indoor growing operations in the Netherlands. They found a median planting density of 15 plants per square meter, or 1.4 plants per square foot, and an average yield of 1.2 ounces of saleable material per plant per harvest.<sup>6</sup> That translates to 0.105 pounds per square foot per harvest or 2.625 pounds per 25 square feet per harvest. Combining this with the \$600 figure derived above, the materials and consumables cost per pound is about \$225 per pound.

That is, a well-run 5' x 5' hydroponic grow producing 4 harvests per year might yield 10.5 pounds per year with tangible costs of \$225 per pound--\$75 per pound for electricity and the remaining \$150 per pound for other factors. These costs work out to be quite consistent with those described in a Dutch case study described by Cervantes (2006, p.148).

That case study described three harvests: (1) a modest 8.4 pounds grown on 128.6 square feet at a cost of \$5,647, (2) a subsequent investment of \$8,220 that doubled the area cultivated and improved methods, yielding 27.6 pounds, and (2) a third harvest in the full space of 30.2 pounds whose incremental cost was only \$1,882. That works out to  $(\$5,647 + \$8,220 + \$1,882) / (8.4 + 27.6 + 30.2) = \$238$  per pound.

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#### 4.1 Current Costs of Processing Sinsemilla<sup>26</sup>

It is clear that labor dominates the cost of processing sinsemilla. The materials costs are relatively minor. We tried but failed to locate good, citable estimates on the total labor

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cont'd

P-4

P-5

effort needed to process sinsemilla today. Calls to various materials providers seemed to provide estimates that centered around seven hours per pound, but we were unable to establish the provenance or reliability of such an estimate. The figure does not seem implausible if, as appears to be conventional wisdom, the “manicuring” stage is the most labor intensive step, since we have at least bits of information about labor intensity of that step.

Table 3: Speculations About the Labor Intensity and Associated Costs of Processing Marijuana Currently and After Legalization   Currently (While Illegal)   After Legalization

|                                   | Scissors               | Electric Trimmers | Machines (e.g., “Twister”) | Low End                | High End |
|-----------------------------------|------------------------|-------------------|----------------------------|------------------------|----------|
| Labor Intensity (Hours per pound) |                        |                   |                            |                        |          |
| Harvesting                        | 1.5                    | 1.5               | 1.5                        | 1.5                    | 1.5      |
| Manicuring                        | 5                      | 1.5               | 1                          | 0.2                    | 1/3      |
| Drying/Curing                     | 1.5                    | 1.5               | 1.5                        | 0.5                    | 1.5      |
| Total Hours per pound             | 8                      | 4.5               | 4                          | 2.2                    | 3 1/3    |
| Wage rate                         | \$20 – 25 per hour     |                   |                            | \$10 per hour          |          |
| Conjectured total cost            | \$80 - \$200 per pound |                   |                            | ~\$20 - \$35 per pound |          |

At one extreme, perhaps no local jurisdiction in California will allow commercial production – e.g., because the federal government threatens to withhold federal funding from any jurisdiction that does so. In that case only the non-commercial growing in a 5' x 5' area is pertinent. The estimated cost of that is \$225 per pound for a successful, well managed operation, plus in-kind contribution of labor and forgone living space. A well-managed operation of that scale could produce roughly 10 pounds per year, enough for almost 50 people at an average annual consumption rate of 100 grams per year (Kilmer and Pacula, 2009). Since \$225/pound is less than one-tenth the current wholesale price of high grade marijuana (Narcotic News, 2010), even that very limited form of legalization might exert substantial downward pressure on prices if an important segment of the market uses home-grown marijuana. Indeed, a principal advantage of allowing homegrown marijuana is to siphon demand away from illegal providers.

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Water consumption calculations give a sense of perspective. Cannabis is not a water intensive crop, but indoor cultivation requires attention to hydration levels, and Cervantes estimates that 16 plants will require between 10 to 25 gallons of water per week (Cervantes, 2006). Assuming plants are grown for 90-days before harvest, that is equivalent to 8 - 20 gallons of water per plant.

Toonen et al. (2006) find average yields of 1.2 ounces (33 grams) per plant per harvest, suggesting that indoor marijuana production requires about 0.24 - 0.61 gallons of water per gram of marijuana produced. At an average annual consumption of 100 grams, that is 24 – 61 gallons, or about the equivalent of flushing a standard toilet between once every month or two; clearly water consumption (at least for indoor marijuana growing) is simply not a concern.

Likewise, total area needed for marijuana production is not that large. Making precise statements is complicated by the lack of agreement in the literature about the total quantity of marijuana consumed in the U.S., either now or after legalization. In the next few paragraphs we will use 5,000 metric tons because it is a round number that is consistent with most current consumption estimates.<sup>32</sup>

With an outdoor production yield of 2,500 pounds per acre (1,134 kgs/acre), 4,400 acres of crop land would be needed to serve a 5,000 metric ton U.S. market. The U.S. has 922 million acres of farmland of which a little over 300 million is harvested each year,<sup>33</sup> so marijuana cultivation would only require 0.0014% of harvested cropland.

Of course, outdoor farming is probably not the most likely outcome. Suppose all of the 5,000 metric tons were provided by indoor growing with a yield of 546 pounds per house. Such domestic production would require about 20,000 houses (or less since the indoor production would mostly be sinsemilla, whereas most of the 5,000 metric tons would be commercial grade). 20,000 houses is a lot of houses, but there are about 75 million owner-occupied houses in the U.S., so 20,000 is just 0.027% of the total; widespread indoor marijuana cultivation would not exacerbate homelessness or solve the hang-over from the recent housing crisis. Indeed, a recent news article reported that there were 200,000 vacant homes in the U.S. just among those that had been constructed recently.

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cont'd

## **BOTEC Analysis Corporation**

### **Estimating Adequate Licensed Square Footage for Production**

Jonathan Caulkins, BOTEC Analysis, Carnegie Mellon University, Matthew Cohen, TriQ Inc., Luigi Zamarra

[https://lcb.wa.gov/publications/Marijuana/BOTEC%20reports/5a Cannabis Yields-Final.pdf](https://lcb.wa.gov/publications/Marijuana/BOTEC%20reports/5a_Cannabis_Yields-Final.pdf)

Page 1

### **Factors Complicating Cultivation Area Estimation**

Estimating cultivation area seems straightforward. For example, if each of four harvests per year yields 50 grams per square foot, then to produce 120 metric tons of marijuana annually, one needs to license  $120,000,000 / (4 * 50) = 600,000$  square feet.

P-8

**Five factors complicate the analysis:**

- 1) Yield figures are not standardized.
- 2) Yield is normally expressed per square foot harvested, and indoor marijuana grows customarily produce multiple harvests per year.
- 3) Yields can vary by modality (e.g., greenhouse vs. artificial lights), variety of strain, and intensity (e.g., wattage of artificial lights or type and amount of fertilizer). We use averages that account for these variables.
- 4) Yields are conventionally described in terms of grams per square foot harvested, but production facilities also have ancillary spaces for seedlings, walkways, etc. A major decision point for the WSLCB, therefore, relates to whether the area-restriction applies to the entire building, all areas occupied by plants, or solely to areas occupied by mature plants that can be harvested.
- 5) The future mix of production strategies and associated yields is unknown and partially endogenous to WSLCB policy. For instance, if growing area is restricted, growers may have an incentive to employ higher yielding but more expensive production methods.

P-8  
cont'd**The Effect of Legalization on Average Yield**

Growing in the U.S. has tended toward high yields per square foot because the need to avoid detection by law enforcement incentivizes a small operational footprint. However, there are some exceptions. Growers concerned about the 100-plant threshold, (qualifying the owner for a 5-year federal mandatory minimum sentence) and who have access to a large warehouse might grow 99 very large plants and spread them out to maximize each plant's yield. A more common approach is densely packing many small plants under artificial lights to mature them quickly enough to produce multiple harvests per year.

P-9

These may not represent best practices post legalization. Densely packed plants are more vulnerable to pests and disease. Furthermore, greenhouses are more economical (with cheaper structures and lower electricity costs), attested by the fact that few legal crops are grown entirely with artificial light. However, greenhouses' economic advantages disappear in winter due to heating costs. Greenhouse R-values are very low, meaning they are poorly insulated for heat, so greenhouses might not produce as many crops per year.

Hence, there is a trade-off between yield and production cost. If there is no limit on production area, one might expect greenhouse production to gain popularity due to cost

considerations. However, if production area is constrained to the point that greenhouse production would leave some demand unsatisfied, growers might use their scarce growing area for production under artificial lights—unless production limits keep prices high.

There can be a similar trade-off across different modes of production under artificial lights. Some strains or varieties of cannabis yield more per square foot than others. Likewise, some mature faster, resulting in more crops per year. Similarly, increasing lighting or fertilizer intensity can increase yield. Therefore, if production area is constrained, growers might focus on the highest yielding varieties or use more lamps per square foot to boost yields—even if that constrains the range of varieties available for sale or increased electricity consumption and production cost per kilogram.

Note: We set “no roof” (full sun) at 2% as a place holder, in the belief that it will account for a negligible share of production in Washington. If that proves false, then of course that parameter should be changed.

Page 3

If the WSLCB tries to restrict production substantially by tightly constraining area cultivated, it should expect the industry to adapt in various ways and so achieve yields per unit area that are at the higher end of the ranges described. As a result, the WSLCB may prefer to utilize the “skewed toward high yield” in order to determine total allowable production area. Conversely, if production area were not meaningfully constrained, then the mix of production methods might trend toward modalities that produce less per square foot per year, and the “all greenhouse” scenario might be more informative.

### **Variables Pertinent to Yield-per-unit-area-harvested**

Yield varies for three distinct types of reasons: (1) controlled variables, (2) the possibility of a partial or complete crop failure, and (3) random variation. Besides venue (artificial lights vs. greenhouse vs. open air), controlled variables include factors such as variety, fertilizer, hydration, soil quality, pruning method, harvest time, and lighting intensity. There are some predictable relationships, such as causation between more intense lighting and yield per unit area. Indeed, it is not uncommon to see the literature measure yield per watt rather than per square foot (e.g., Rosenthal). Other relationships are still being investigated. For example, Vanhove (2013) finds that matching the proper fertilizer to the strain type can have a substantial effect on yield. There are also factors that can affect yield post-harvest, in the drying, curing and processing phases.

P-9  
cont'd

P-10

Surprisingly, the grade of flower or THC potency does not necessarily play a factor in yield. A very high quality crop can have a very low yield, and a very low quality crop can have a high yield. However, since different strains have different lengths of growth cycles, limiting licensed growth square footage may encourage producers to grow those strains that have shorter growth cycles.

Crop failures can occur for a variety of reasons, including pests (mites), fungal contamination, and other miscellaneous causes. Even when the crop does not fail and the familiar control variables are held constant, there can still be variation from crop to crop. Even expert growers can have seemingly identical crops next to one another that vary in yield by 10-20%. Indeed, Vanhove et al. (2011) demonstrate that the average coefficient of variation in yield *within* a growth condition is 0.53. This is not a mystery or in any way unique to marijuana; yields in all forms of agriculture are more variable than in assembly line production.

P-10  
cont'd

### **Production potential per square foot harvested**

The tables below summarize the evidence gathered for this task from the literature and 16 interviews with growers.<sup>3</sup> Indoor and outdoor yields average about 40 and 47 grams per square foot, respectively, regardless of whether ranges are reduced to point estimates via arithmetic or geometric averaging.<sup>4</sup>

The higher value for outdoor production is due to two very high estimates. It is the interviewer's judgment that one respondent was thinking of an extreme best case scenario, and that the second may have provided an anecdotal response not supported by reliable data. Due to outlier data points, a trimmed mean may be a more reliable central measure than the usual mean. The trimmed means, omitting the two lowest and two highest estimates, are very close to 40 grams per square foot indoor or out<sup>5</sup>

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<sup>1</sup> Scenarios can be accessed by choosing from the Excel (2010 or later) menu: Data, What-If Analysis, and Scenario Manager, then highlighting the desired scenario and clicking the "Show" button.

<sup>2</sup> Defining additional scenarios is easy in Excel. We would be happy to teach how if necessary.

<sup>3</sup> The Appendix provides further information on the estimates drawn from the literature beyond that reviewed by Leggett (2006).

<sup>4</sup> Geometric averages – meaning the  $n^{\text{th}}$  root of the product of  $n$  numbers – have some advantages over the traditional arithmetic mean when reducing ranges to point estimates, but in this case gave essentially the same overall answer.

<sup>5</sup> Indeed, the trimmed mean for indoor production (40.9) is slightly larger than for the outdoor estimates (39.6), indicating just how heavily the simple average of 47 grams per sq. ft. was influenced by the two very high reports.

## Indoor

| Source                | Item/Respondent | Details of Mode          | Min                   | Max   | Arithmetic Average | Geometric Average |
|-----------------------|-----------------|--------------------------|-----------------------|-------|--------------------|-------------------|
| Interviewer #1        | #1              |                          | 20                    | 70    | 45                 | 37.4              |
|                       | #2              |                          | 28.375                | 78.03 | 53.2025            | 47.1              |
|                       | #3              |                          | 20                    | 70    | 45                 | 37.4              |
|                       | #4              |                          | 20                    | 70    | 45                 | 37.4              |
|                       | #5              |                          | 20                    | 70    | 45                 | 37.4              |
|                       | #6              |                          | 15                    | 60    | 37.5               | 30.0              |
|                       | #7              |                          | 28                    | 56    | 42                 | 39.6              |
|                       | #8              |                          | 30                    | 60    | 45                 | 42.4              |
| Interviewer #2        | #1              |                          | 30                    | 50    | 40                 | 38.7              |
|                       | #2              |                          | 28                    | 42    | 35                 | 34.3              |
|                       | #3              |                          | 41                    | 46    | 43.5               | 43.4              |
|                       | #4              |                          | 20                    | 40    | 30                 | 28.3              |
|                       | #5              |                          | 28                    | 36    | 32                 | 31.7              |
|                       | #6              |                          | 23                    | 46    | 34.5               | 32.5              |
| Leggett (2006) review | #1              | Indoor scientific        | 37                    | 56    | 46.5               | 45.5              |
|                       | #2              | Indoor scientific        | 17                    | 65    | 40.9               | 33.0              |
|                       | #3              | Indica/sativa 1 m indoor | 37                    | 37    | 37.2               | 37.2              |
|                       | #4              | Indoor ("Skunk #1")      | 14                    | 28    | 20.9               | 19.7              |
|                       | #5              | Indoor Sea of Green      | 30                    | 47    | 38.5               | 37.5              |
|                       | #6              | Indoor Screen of Green   | 70                    | 70    | 70.2               | 70.2              |
|                       | #7              | Indoor Screen of Green   | 47                    | 47    | 46.8               | 46.8              |
|                       | #8              | Unspecified indoor       | 63                    | 63    | 63.2               | 63.2              |
|                       | #9              | Indoor hydroponics       | Dropped as an outlier |       |                    |                   |
|                       | #10             | Indoors                  | 28                    | 56    | 41.8               | 39.4              |

P-11  
cont'd

|                       |                        |       |       |      |      |
|-----------------------|------------------------|-------|-------|------|------|
| Toonen et al. (2006)  |                        | 46.9  | 46.9  | 46.9 | 46.9 |
| vanHove et al. (2011) | 400 Watts / sq. meter  | 11.6  | 31.45 | 21.5 | 19.1 |
|                       | 600 Watts / sq. meter  | 21.44 | 44.9  | 33.2 | 31.0 |
| Knight et al. (2010)  | ScrOG, successful grow | 32.7  | 32.7  | 32.7 | 32.7 |
| Cervantes (2006)      |                        | 29.6  | 53    | 41.3 | 39.6 |
| Rosenthal             |                        | 25.43 | 62.5  | 44.0 | 39.9 |

**Indoor Average across respondents 41.3 38.6**

#### Outdoor

|                       |    |                     |       |       |       |       |
|-----------------------|----|---------------------|-------|-------|-------|-------|
| Interviewer #1        | #9 |                     | 27.24 | 27.24 | 27.24 | 27.2  |
| Interviewer #2        | #1 |                     | 40    | 70    | 55    | 52.9  |
|                       | #3 |                     | 93    | 93    | 93    | 93.0  |
|                       | #4 |                     | 25    | 50    | 37.5  | 35.4  |
|                       | #5 |                     | 112   | 112   | 112   | 112.0 |
| Leggett (2006) review | #1 | Outdoor rain-fed    | 14    | 14    | 14.1  | 14.1  |
|                       | #2 | Outdoor irrigated   | 24    | 24    | 23.6  | 23.6  |
|                       | #3 | Unspecified outdoor | 14    | 28    | 21.2  | 20.0  |
|                       | #4 | Outdoor             | 46    | 46    | 46.5  | 46.5  |

**Outdoor Average across respondents 47.8 47.2**

### Production potential per square foot licensed

It is crucial to understand that the figures cited above are per harvest and per area harvested.

Indoor production allows 4-6 harvests per year (5 being typical), whereas outdoor production allows only 1-3 harvests per year. Thus, production per square foot per year is much higher with indoor growing.

There were no complete estimates of yields in greenhouses. One might expect the production to be comparable per harvest per square foot, but that the number of harvests per year would be somewhat lower, since greenhouse heating can be so expensive in winter months. On the other hand, air conditioning costs in the summer when growing with artificial lights can also be very high.

P-11  
cont'd

There is also the complicated question of ancillary space that is essential to production, but which is not itself harvested. There are three types of ancillary space:

- 1) Space for growing plants that are not at the harvestable stage (mother plants, seedlings, etc.).
- 2) Dead space that is intertwined with area to be harvested (e.g., walkways).
- 3) Other areas not directly involved in growing (space used for drying, storing tools, record keeping, bathrooms, etc.).

Ancillary space can easily be half as large as the canopy area that is harvested, meaning that 2/3 of a facility may be devoted to canopy.

Administratively, the simplest approach might be to license the total size of the building, which would encompass all of these types of ancillary space. However, if the license limits the sum of all these types of space, then growers will have an incentive to go to great lengths and expenses to minimize the ancillary space. For example, a grower might employ crawl space under grow tables for storing supplies and moving about. Given the high potential value of cannabis yield per unit area, such limits could justify rather extraordinary measures.

An alternative would be to license just the area devoted to mature plants. This approach would allow officials to apply the yield figures above without adjustment. However, that would require some perhaps considerable extra effort for growers and inspectors to subtract out the area of walkways when computing area under canopy. Furthermore, there is also the question of how to write a clear and consistent rule that differentiates mature plants from seedlings.<sup>6</sup>

<sup>6</sup> The mother plants do not require that much space in total, so folding them in with mature plants would require a relatively minor adjustment to the yield estimates above.

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## Appendix A: Literature Review

### From the published literature

#### *Summary of Leggett (2006)*

Leggett (2006, Table 3, pp.27-29) reviewed 35 yield estimates from a wide range of sources. Key elements of indoor estimates are reproduced below. Leggett (p.30) summarizes them as ranging from just over 300 to just under 800 grams per square meter per harvest, with an overall average of about 500 grams per square meter, with four-stage cultivation systems allowing 3-6 harvests per year.

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| Row | Source                          | Cultivation Style        | Output per plant (grams) | Plants per square meter | Weight per Square Meter (grams) | Seasons per year | Output per square meter per year (grams) |
|-----|---------------------------------|--------------------------|--------------------------|-------------------------|---------------------------------|------------------|------------------------------------------|
| #1  | W. Scholten                     | Indoor scientific        | 100                      | 4–6                     | 400–600                         | 4                | 1600–2400                                |
| #2  | Br Columbia Compassion Club Soc | Indoor scientific        |                          |                         | 180–700                         |                  |                                          |
| #3  | R. Clarke (2002, p.9)           | Indica/sativa 1 m indoor | 100                      | Assume 4                | 400                             | 3–4              | 1200–1600                                |
| #4  | R. Clarke (19998, p.189)        | Indoor ("Skunk #1")      |                          |                         | 150–300 (flowers only)          | 3                |                                          |
| #5  | M. Thomas (2002)                | Indoor Sea of Green      | 9–14 (0.5 oz.)           | 36 (2 per sq. ft.)      | 324–504                         | 4                | 1296–2016                                |
| #6  | M. Thomas (2002)                | Indoor Screen of Green   | 84 (3 oz.)               | 9                       | 756                             | 3                | 2268                                     |
| #7  | G. Green (2003)                 | Indoor Screen of Green   | 56 (2 oz.)               | 9                       | 504                             | 3                | 1512                                     |
| #8  | Onlinepot.org website           | Unspecified indoor       | 170                      | Assume 4                | 680                             | 4–52 (with CO2)  | 720–3400                                 |
| #9  | J. Cervantes (1993)             | Indoor hydroponics       | 7                        | 4                       | 28                              | 4                | 112                                      |
| #10 | Cannabis-seedbank.nl website    | Indoors                  |                          |                         | 300–600                         | 3–6              |                                          |

### #1-

For outdoor yields, Leggett quotes Conrad in suggesting that yields of 200 grams per square meter are consistent with figures gathered from court cases in the U.S., but nonetheless uses 100 grams per square meter (one MT per hectare). Those figures would translate to 18.6 and 9.3 grams per square foot. Nonetheless, Leggett's Table 3 records some substantially greater yields, which are given here (exclusive of two described as "feral"). The sole greenhouse estimate is also included.

P-12  
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| Row | Source                       | Cultivation Style   | Output per plant (grams) | Plants per square meter | Weight per Square Meter (grams) | Seasons per year | Output per square meter per year (grams) |
|-----|------------------------------|---------------------|--------------------------|-------------------------|---------------------------------|------------------|------------------------------------------|
| #1  | UNODC Morocco                | Outdoor rain-ied    | 76                       | 1                       | 76                              | 2                | 152                                      |
| #2  | UNODC Morocco                | Outdoor irrigated   | 4                        | 30                      | 127                             | 2                | 254                                      |
| #3  | M. Starks (1990)             | Unspecified outdoor | 227–454                  | 0.66                    | 152–304                         | 1                | 152–304                                  |
| #4  | M. Thomas (2002)             | Outdoor             | About 500                | 1                       | 500                             | 1                | 500                                      |
| #5  | Cannabis-seedbank.nl website | Outdoor             | 10–200                   | 40 X 10 g               | 300–600                         |                  |                                          |
| #6  | Cannabis-seedbank.nl website | Greenhouse          |                          | 1–10                    | 50–250                          | 3–6              |                                          |

### Subsequent and Additional Citable Sources on Indoor Yield

Toonen et al. (2006) build a regression model based on 86 samples obtained from law enforcement raids in the Netherlands. Point estimate was 505 grams per square meter of dried female flower buds, which is equivalent to 46.9 grams per square foot.

Toonen et al. (2006, p.1053) also report that, "in popular cannabis cultivation literature, average yields of 366–610 g/m<sup>2</sup> are described (11)" with the citation being to Green G. The cannabis grow bible. USA: Green Candy Press, 2001. That range is equivalent to 34.0 to 56.7 grams per square foot.

Vanhove et al. (2011) seek to improve on Toonen et al. via a growing experiment with a full factorial Latin square design, varying light intensity (400 or 600 W per sq. meter), plant density (16 and 20 plants per square meter), and plant variety (four varieties). Plants were harvested after 11 weeks. Yields were 11.6 – 44.9 grams per square foot, although the discussion states, “According to the Belgian Police, the yield figures presented in this study are below the average yield found in common illicit cannabis indoor plantations.” Yields were substantially higher under the 600W condition, even slightly more than 1.5 times higher. Yields per unit area were not affected by plant density over this range. Yields did vary considerably by variety. If we focus on the two higher-yielding varieties (Big Bug and Super Skunk) under the 600W condition, the average yield was 40.7 grams per square foot.

Vanhove et al. (2012) summarized more such experiments, stating: “the lower-bound of the one-sided 95% confidence interval of the yield of an indoor cannabis plantation can be set at 575 g/m<sup>2</sup>.”

Vanhove (2013, personal communications) performed a subsequent, unpublished, study interacting fertilizer type (complete scheme described in earlier papers vs. just NPK-fertilizers) crossed with variety. There was a (negative) main effect for the just NPK-fertilizer, but also a very strong interaction effect (e.g., Big Bud did better with basic fertilizer). The conclusion is that mismatching fertilizer with type can reduce yield below the 575 gram per square meter potential obtained earlier.

Knight et al. (2010) did three cycles of hydroponic growing (“Screen of Green” or ScrOG method). Each crop had six plants grown in 4.32m X 3.48 m. Production ranged from 94.2 to 186.4 ounces, which is 16.5 – 32.7 grams per square foot. Authors report problems with all three grows, due to their inexperience, particularly the two grows with lower yields. So the 32.7 gram per square foot figure would appear to be the best most relevant from this study.

As an aside, the yields per plant were considerable. The authors conclude that they have demonstrated one can obtain 42 ounce per plant with THC of 30%.

Cervantes (2006, pp.148-152) describes a case study of three crops with yields of 29.6 – 53.0 grams per square foot in 10, 9, and 9 weeks, respectively.

|                         | Crop #1         | Crop #2      | Crop #3      |
|-------------------------|-----------------|--------------|--------------|
| Space                   | 16' 5" x 7' 10" | 33' x 7' 10" | 33' x 7' 10" |
| Sq. Feet                | 128.6           | 258.5        | 258.5        |
| Yield (pounds)          | 8.4             | 27.6         | 30.2         |
| <b>Grams per sq ft.</b> | <b>29.6</b>     | <b>48.4</b>  | <b>53.0</b>  |

P-12  
cont'd

This is consistent with his rule of thumb of “0.5g-1g/watt”, which at typical light densities, equates to 31.25g-62.5g/sq. ft.

Rosenthal (Marijuana Grower’s Handbook) states that “A 1000w lamp produces a yield of about 375-1000 grams.” Typically a 1000w flowering lamp is used every 16 sq. ft. (4’x4’), so this translates to 23.43g-62.5g per sq. ft.

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## Cannabis Business Times

### Measuring Yield

State of the Cannabis Lighting Market - State of the Cannabis Lighting Market

October 6, 2016

CBT Staff

Yield is the holy grail of cannabis cultivation. So, it’s not surprising that most professional cultivators measure yield in some form. Most — nearly three-fourths (72%) of the cultivators who participated in CBT’s research project — say they measure **yield per square foot**. However, 38% of those who say they measure this metric didn’t know the actual yield per square foot of their cultivation operation’s most recent harvest, and some respondents who elaborated further on the question indicated they measure this metric somewhat informally.

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Joe Romano of The Indoor Garden Shop in Detroit, Mich., who participated in the research project, says that his operation measures yield per square foot “in a roundabout way.” His team looks at “given a particular space, how many harvests can we get in a year,” he says.

Measuring yield per square foot, he believes, is one of the more important stats to track, if even informally, but looking at yield per strain also is important. “I think we spend more time balancing looking at different strains [and] ... what they produce,” Romano says. “For example, the majority of what we’ve been growing lately is Gorilla Glue, [for] which yield per square foot is fantastic compared to a number of sativas. Ours have been more of a focus on a variety of plants and [their] marketability than anything else.”

Vince Hanson, cultivation director at Leaf on the Mesa in Pueblo, N.M., another participant in the research, also believes measuring yield per square foot is important (“You can have all these lights in the room, and you can be wasting a tremendous amount of square footage,” he says), but time constraints have not yet enabled his team to do so. “This grow started about a year and a half ago. We just got over all of our weird growing pains,” he says. “And so ... the last six months, we’ve been producing steady.”

In the future, he says, Leaf on the Mesa will probably track this metric.

Right now, Hanson says, “We look more for our averages. ... We have to do a wet plant weight and a dry plant weight, so when I enter everything into the metrics, I can find an average plant weight. So if I find a drop-off in the average plant weight, there’s something going on, wherever they came out of, or something going on with the strain. So I pretty much focus on average yield,” he adds. “I keep logbooks of everything. ... I build spreadsheets for all of these and print them off. As they harvest plants, I write down its tag, its wet weight, its waste weight, its bud weight, all those things.”

Research participant Robert Mead of Sound Cannabis in Aberdeen, Wash., says his business does not measure yield per square foot, but, he says, “that’s something we’re going to be looking at specifically. I’m watching the market, and the prices are starting to come down. I see a lot of really cheap concentrates in the market, so I really want to look at my return on investment.”

Yield per square foot ranged among research participants from 60g/sq. ft. or more to less than 20g/sq. ft., but **the average yield per square foot, during the most recent harvests, rested just about in the middle at 39.5g.**

Another metric that some cultivators feel is even more important to measure than yield per square foot is **yield per watt of light**; however fewer measure this than yield per square foot. Two-thirds of respondents (66%) say they measure yield per watt of light; but, again, nearly one third (31%) of those cultivators say that their operations measures this, but that they don’t know what the yield per watt of light was during their most recent harvest.

Thirty percent of cultivators say they don’t measure yield per watt of light at all.

Jacob White of R. Greenleaf Organics LLC in Albuquerque, N.M., says, “We track all of our production by grams per watt of lighting. We add up the total yield of all primary and secondary bud and divide by the number of watts illuminating the room.”

This metric is important to measure, he says, because of New Mexico’s canopy limit. “Because of a restrictive plant count (450 plants total), we must grow larger plants. Because of variation in yield between strains, we have varying amounts of plants in each flowering room to compensate. Comparing rooms in terms of grams per watt allows us to compare apples to apples,” Greenleaf says.

“Over an almost two-year period, we have a historic average of .96 grams per watt,” he says. “Our yields are always improving over time, and over the last six months, we are a little higher at 1.02 grams per watt. In the last 10 harvests, we are averaging even higher at 1.08 grams per watt.”

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Yield/watt of light ranged among participants from less than 1g/W to 3g/W or more, but **the average yield per watt, for participants' most recent harvests, fell at 1.6g/W.**

While it's interesting to see what types of lighting cultivators are using, other data offer a more candid look at where the industry stands regarding light-related data tracking and application to impact yield.

One of the most basic, yet essential measurements, say some experts, is calculating how much of your lighting is actually reaching your cannabis crops. According to CBT's research, 43% of participating cultivators say they do not measure the amount of light their crops receive.

Randy Flemming, sales associate at American Cannabis Consulting (ACC), says he believes "43% is an accurate number, with that number dropping all the time. People are becoming more aware of the potential loss of capital through lighting wastage," he says.

He adds that ACC measures light output for several reasons:

- To maximize the effectiveness of the light available.

- To ensure a consistent photosynthetic photon flux density (PPFD) at the canopy.

- To help "fine tune" your photosynthesis, allowing your plants to grow strong and healthy.

- To allow you to recognize a drop in lighting effectiveness, thus allowing for proper bulb change-out and/or maintenance.

Some experts have suggested cultivators also measure the amount of light that is reaching any empty spaces around the canopy; this is wasted light, and finding excess light in non-crop areas can help you redirect your lighting to maximize its use.

*We track all of our production by grams per watt (of lighting). We add up the total yield of all primary and secondary bud and divide by the number of watts illuminating the room."*  
— **Jacob White** R. Greenleaf Organics

"To us, these findings reflect a warehouse-dominated industry where light variation has been eliminated, along with regular measurements," says Kurt Badertscher, co-owner with his wife Kerrie of Otoké Horticulture LLC, a horticultural consultancy.

"In contrast," he says, "sunlight in year-round greenhouses varies widely. Yields follow light, so for consistency, daily light delivery needs to be held constant, and that requires automated or manual, daily light monitoring to determine sunlight deficits that supplemental lighting makes up for."

Of the 55% who say they do measure the amount of light reaching their crops, Photosynthetically Active Radiation (PAR) meters and photometers (lux meters) are used

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by the largest number of cultivators, with both measuring tools being used by 50% of those respondents.

## 4 Ways to Measure Yield

State of the Cannabis Lighting Market - State of the Cannabis Lighting Market

October 6, 2016

CBT Staff

Knowing and calculating your yield not only allows you to track your progress as a grower and set personal benchmarks, it will allow you to better evaluate efficiencies, make adjustments to increase yield and compare your grow operation to others in the industry. To do that, though, everyone needs to be measuring their yield the same way. Here are some common, and not as common, yield formulas:

### 1. Grams of dried product/square foot of canopy:

The industry benchmark, this formula allows you to get the most basic measure of your yield. Your square footage is simply the length of your canopy coverage multiplied by its width. Divide your total dried product weight by the square footage, and you will get your yield per square foot.

**Formula: Total dried product weight ÷ Square footage of canopy = Yield per square foot**

The bigger the number, the better the yield. It's not the most accurate measure, as it doesn't account for cycles per year – someone could have a tremendous yield/sq. ft., but if they are only turning two cycles/year, they are likely not producing as much as someone with a lower yield/sq. ft. who turns six cycles/year. Still, it is the most commonly used measure to compare crop yields. (72% of research participants indicated that they measure yield per square foot.)

### 2. Grams of dried product/cubic foot of canopy:

To calculate your canopy in cubic feet, simply multiply your square footage (from metric #1 above) by your canopy height. To calculate your yield, divide your total grams of dried product by your cubic footage.

**Formula: Total dried product weight ÷ Cubic footage of canopy = Yield per cubic foot**

This formula takes into consideration canopy height, which can greatly impact results compared to calculating yield with square footage only, especially if you are cultivating using vertical farming.

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### 3. Grams of dried product/watt of light:

This formula allows you to calculate your yield relative to your total light power. To calculate, simply divide your dry weight by your lamp wattage.

**Formula: Total dried product weight ÷ Total lamp wattage = Yield per watt of light**

For example, if you're using two 600W lamps (1200W total) and produced 1,020 grams of dry product, your calculation would be  $1020\text{g}/1200\text{W} = 0.85\text{g/W}$ .

This formula allows you to measure your yield relative to your lamp strength, and can account for energy efficiency (or inefficiency) for different lighting sources. For example, if you're using "energy efficient" LEDs that produce low yield, they are not actually efficient.

### 4. Grams of dried product/kilowatt-hour:

This is the industry standard measure that allows you to calculate your energy costs over your yield. To do this, you first need to calculate your daily energy usage: Multiply your total wattage by the number of light operating hours in a day.

**Formula for total daily energy usage: Total light wattage x light operating hours per day = Total wattage hours**

For example, if you're using two 600W lamps on a daily, 12-hour cycle, your daily energy use will be  $1200\text{W} \times 12\text{hours} = 14,400$  watt hours (Wh).

Divide that by 1,000 (since 1,000W equals 1kW) to get your kilowatt hours (kWh) per day.

**Formula for kilowatt hours: Watt hours ÷ 1,000 = kWh**

Then, multiply your kilowatt hours per day by the number of days your canopy has spent under lights.

**Formula for kWh/cycle: kWh per day x number of days under lights = kWh/cycle**

For example, using the above figures of 14,400Wh, or 14.4kWh, and if your cycle is 75 days, your formula would be:  $14.4\text{kWh} \times 75\text{ days} = 1080\text{kWh}$  used during your entire cycle.

Next, divide your yield in grams by your total kWh.

**Formula for yield/kWh: Total dried product weight ÷ kWh/cycle = Yield per kWh**

This measure will allow you to easily compare your yield relative to your energy costs, making it a useful tool to compare various lighting systems.

## Types of Lighting

State of the Cannabis Lighting Market - State of the Cannabis Lighting Market

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October 6, 2016  
CBT Staff

First, the research explored the types of lighting cultivators are employing during various growth stages.

During propagation, T5s (or other high output (HO) fluorescents) are most commonly used, according to the data; 65% of cultivators say they use T5s at this stage of growth. (However, respondents were able to select multiple types of lighting, and the percentages for each type of lighting indicate that many growers are using more than one type of lighting during propagation.)

LEDs ranked second for use in propagation, with 21% of respondents saying they use this type of lighting at this growth stage.

In the vegetative growth stage, the most growers (43%) use metal halide lights: 23% say they use metal halide quartz lighting, and 20% use metal halide ceramic. (Again, based on the percentages for each lighting type, many growers indicated that they use more than one type of lighting during this growth stage as well.)

The next most frequently used type of lighting, according to the research, is T5s (or other HO fluorescents), with 37% of growers saying they use T5s in the veg stage. The other top-ranking lights used in veg are high-pressure sodium (HPS) (31%) and LEDs (17%).

During flowering, HPS lights are used most frequently – by 62% of cultivators. LEDs are the next most popular lighting type to be used at this growth stage (used by 15% of research participants).

All other lighting types are used by less than 10% of cultivators, according to the research data.

Some growers use no lighting during flowering (15%), vegetation (10%) or propagation (5%).

Three types of lighting — HPS, T5 and LED — were explored in the research for their use during any stage of growth, whether propagation, veg or flowering. HPS lights and T5 lights are used by the majority of growers (68% and 67%, respectively) during at least one growth stage, and LEDs are used by more than a quarter of cultivators.

Nearly three-fourths of greenhouse growers (71%) say they use supplemental lighting on their cannabis crops. The types of lighting varied, and again, growers' responses indicate that they use various types of supplemental lighting during various growth stages, or possibly a combination of lighting at any particular stage.

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## Measuring Light

State of the Cannabis Lighting Market - State of the Cannabis Lighting Market

October 6, 2016

CBT Staff

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One of the most basic, yet essential measurements, say some experts, is calculating how much of your lighting is actually reaching your cannabis crops. According to CBT's research, 43% of participating cultivators say they do not measure the amount of light their crops receive.

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Of the 55% who say they do measure the amount of light reaching their crops, Photosynthetically Active Radiation (PAR) meters and photometers (lux meters) are used by the largest number of cultivators, with both measuring tools being used by 50% of those respondents.

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## Section C – Cannabis Use and Growth Rates

The following tables were assembled to determine cannabis use rates and growth rates. The data was obtained from the National Survey on Drug Use and Health 2016 – 2017.

The data for years 2018 and 2021 was determined from the 2015 to 2016 growth rates and the % of use was confirmed with other sources. The projected growth rates for the various scenarios for 2060 were based on future use assumptions.

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| 2016 California Use of Cannabis Age 21 and Over |                         |              |             |             |                                      |              |
|-------------------------------------------------|-------------------------|--------------|-------------|-------------|--------------------------------------|--------------|
|                                                 | Population              | Annual Use   | Monthly Use | First Use   |                                      |              |
| 21 to 25                                        | 21 and Over             |              |             |             |                                      |              |
|                                                 |                         | 33.98%       | 23.09%      | 7.57%       | Baseline User Rate NSDUH             |              |
|                                                 | 2,937,409               | 998,131.6    | 678,247.7   | 222,361.9   | Baseline Consumption Rate 2016 NSDUH |              |
| 26 and Up                                       |                         | 13.50%       | 8.70%       | 0.48%       | Baseline User Rate NSDUH             |              |
|                                                 | 25,293,432              | 3,414,613.3  | 2,200,528.6 | 121,408.5   | % of Age 21 and Over Using Annually  |              |
| Total                                           | 28,230,841              | 4,412,744.9  | 2,878,776.3 | 343,770.3   |                                      | 15.63%       |
|                                                 | Total Consumption Rates | Consumption  | Monthly     | Yearly      | Yearly                               | Average      |
|                                                 | Age 21 and Older        | Grams/ Month | Consumption | Consumption | Consumption                          | Pounds of    |
|                                                 | Revised 5-30-2018       |              | Grams       | Grams       | Pounds                               | Consumption  |
|                                                 |                         |              |             |             | 12                                   | 453.59       |
|                                                 | 4,412,745               | 1,190,198    | 3.5         | 4,165,694   | 49,988,326                           | 110,206      |
|                                                 | 2,878,776               | 2,878,776    | 21          | 60,454,303  | 725,451,633                          | 1,599,355    |
|                                                 | 343,770                 | 343,770      | 0.5         | 171,885     | 2,062,622                            | 4,547        |
|                                                 | February 10, 2019       | 4,412,745    |             |             |                                      | 1,714,108.74 |
|                                                 |                         |              |             |             |                                      | 0.3884       |

| Rate of Growth in Total Pounds Consumed  |                          |            |              |
|------------------------------------------|--------------------------|------------|--------------|
| Age 21 and Over Growth Rate 2015-2016    |                          | 2016       | 1,714,108.74 |
| Revised February 10, 2019                |                          | 2015       | 1,537,277.94 |
|                                          |                          | Difference | 176,830.80   |
| Based on Difference Between the Years    | Growth Rate over 5 Years |            | 10.316%      |
|                                          | Annual Growth Rate       |            | 10.32%       |
| Based on 2021 / 2016 Total Growth - 100% | Growth Rate Since 2016   |            | 11.503%      |
|                                          | Annual Growth Rate       |            | 11.50%       |

| Rate of Growth in Total Pounds Consumed  |                          |            |              |
|------------------------------------------|--------------------------|------------|--------------|
| Age 21 and Over Growth Rate 2016-2018    |                          | 2018       | 2,135,643.63 |
| Revised February 10, 2019                |                          | 2016       | 1,714,108.74 |
|                                          |                          | Difference | 421,534.90   |
| Based on Difference Between the Years    | Growth Rate over 5 Years |            | 19.738%      |
|                                          | Annual Growth Rate       |            | 3.95%        |
| Based on 2021 / 2016 Total Growth - 100% | Growth Rate Since 2016   |            | 24.592%      |
|                                          | Annual Growth Rate       |            | 12.30%       |

| Rate of Growth in Total Number of Users Age 21 and Over |                         |              |           |
|---------------------------------------------------------|-------------------------|--------------|-----------|
| Age 21 and Over Growth Rate 2015-2016                   | 2016                    | Total Annual | Monthly   |
| Revised February 10, 2019                               | 2015                    | 4,019,341    | 2,575,223 |
|                                                         | Difference              | 393,404      | 303,553   |
| Based on Difference Between the Years                   | Growth Rate over 1 Year | 8.915%       | 10.545%   |
|                                                         | Annual Growth Rate      | 8.915%       | 10.545%   |
| Based on 2021 / 2016 Total Growth - 100%                | Growth Rate Since 2016  | 9.788%       | 11.787%   |
|                                                         | Annual Growth Rate      | 9.788%       | 11.787%   |
| Based on Difference Between the Years                   | Projected Ahead 5 Years | 44.576%      | 52.723%   |
| Based on 2021 / 2016 Total Growth - 100%                | Projected Ahead 5 Years | 48.939%      | 58.937%   |

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| 2021 California Use of Cannabis Age 21 and Over |                           |                  |                  |                |                                               |                     |
|-------------------------------------------------|---------------------------|------------------|------------------|----------------|-----------------------------------------------|---------------------|
|                                                 | Population<br>21 and Over | Annual Use       | Monthly Use      | First Use      |                                               |                     |
| 21 to 25                                        |                           | <b>41.05%</b>    | <b>41.65%</b>    | <b>5.17%</b>   | User Rate Increased Based on 2015-2016 Growth |                     |
|                                                 | 2,975,633                 | 1,221,497.3      | 1,239,351.1      | 153,840.2      | Baseline Consumption Rate 2016 NSDUH          |                     |
| 26 and Up                                       |                           | <b>21.94%</b>    | <b>14.09%</b>    | <b>0.94%</b>   | User Rate Increased Based on 2015-2016 Growth |                     |
|                                                 | 26,927,439                | 5,907,880        | 3,794,076        | 253,118        | % of Age 21 and Over Using Annually           |                     |
| Total                                           | <b>29,903,072</b>         | <b>7,129,377</b> | <b>5,033,427</b> | <b>406,958</b> |                                               | <b>23.84%</b>       |
|                                                 | Total Consumption Rates   | Consumption      | Monthly          | Yearly         | Yearly                                        | Average             |
|                                                 | Age 21 and Older          | Grams/ Month     | Consumption      | Consumption    | Consumption                                   | Pounds of           |
|                                                 | Revised 5-30-2018         |                  | Grams            | Grams          | Pounds                                        | Consumption         |
|                                                 |                           |                  |                  |                | 12                                            | 453.59              |
|                                                 | 7,129,377                 | 1,688,992        | 3.5              | 5,911,472      | 70,937,664                                    | 156,392             |
|                                                 | 5,033,427                 | 5,033,427        | 21               | 105,701,973    | 1,268,423,679                                 | 2,796,410           |
|                                                 | 406,958                   | 406,958          | 0.5              | 203,479        | 2,441,749                                     | 5,383               |
| Plan-aire.com                                   | February 10, 2019         | 7,129,377        |                  |                |                                               | <b>2,958,184.91</b> |
|                                                 |                           |                  |                  |                |                                               | 0.4149              |

| Rate of Growth in Total Pounds Consumed  |                          |            |                |
|------------------------------------------|--------------------------|------------|----------------|
| Age 21 and Over Growth Rate 2016-2021    |                          | 2021       | 2,958,184.91   |
| Revised February 10, 2019                |                          | 2016       | 1,714,108.74   |
|                                          |                          | Difference | 1,244,076.17   |
| Based on Difference Between the Years    | Growth Rate over 5 Years |            | <b>42.055%</b> |
|                                          | Annual Growth Rate       |            | 8.41%          |
| Based on 2021 / 2016 Total Growth - 100% | Growth Rate Since 2016   |            | <b>72.579%</b> |
| Plan-aire.com                            | Annual Growth Rate       |            | <b>14.52%</b>  |

| Rate of Growth in Total Number of Users Age 21 and Over |                          |            |                | Calculated by Difference<br>/ Year 2021 | Population<br>Age 21<br>and Over |
|---------------------------------------------------------|--------------------------|------------|----------------|-----------------------------------------|----------------------------------|
| Age 21 and Over Growth Rate 2016-2021                   |                          |            |                | Total Users                             | Monthly Users                    |
| Revised February 10, 2019                               |                          | 2021       | 7,129,377      | 5,033,427                               | 29,903,072                       |
|                                                         |                          | 2016       | 4,412,745      | 2,878,776                               | 28,230,841                       |
|                                                         |                          | Difference | 2,716,633      | 2,154,651                               | 1,672,231                        |
| Based on Difference Between the Years                   | Growth Rate over 5 Years |            | 38.105%        | 42.807%                                 |                                  |
|                                                         | Annual Growth Rate       |            | 7.621%         | 8.561%                                  |                                  |
| Based on 2021 / 2016 Total Growth - 100%                | Growth Rate Since 2016   |            | 61.563%        | 74.846%                                 | 5.923%                           |
|                                                         | Annual Growth Rate       |            | <b>12.313%</b> | <b>14.969%</b>                          | 1.185%                           |
| Age 12 and Older Growth Rate 2016-2021                  |                          |            |                |                                         |                                  |
|                                                         |                          | 2021       | 7,746,480      | 5,572,152                               |                                  |
|                                                         |                          | 2016       | 5,387,185      | 3,488,559                               |                                  |
|                                                         |                          | Difference | 2,359,294      | 2,083,593                               |                                  |
| Based on Difference Between the Years                   | Growth Rate over 5 Years |            | 30.456%        | 37.393%                                 |                                  |
|                                                         | Annual Growth Rate       |            | 6.091%         | 7.479%                                  |                                  |
| Based on 2021 / 2016 Total Growth - 100%                | Growth Rate Since 2016   |            | 43.795%        | 159.726%                                |                                  |
| Plan-aire.com                                           | Annual Growth Rate       |            | <b>8.759%</b>  | <b>31.945%</b>                          |                                  |

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| 2060 Option A |                         | 2060 California Use of Cannabis Age 21 and Over |             |                |                                        |              |               |
|---------------|-------------------------|-------------------------------------------------|-------------|----------------|----------------------------------------|--------------|---------------|
|               | Population              | Annual Use                                      | Monthly Use | First Use      |                                        |              |               |
|               | 21 and Over             |                                                 |             |                | Population Growth Only                 |              |               |
| 21 to 25      |                         | 41.05%                                          | 41.65%      | 5.17%          | Same Rate of Use as 2021               |              |               |
|               | 3,108,629               | 1,276,092.2                                     | 1,294,744.0 | 160,716.1      | Same Consumption Rate per User as 2021 |              |               |
| 26 and Up     |                         | 21.94%                                          | 14.09%      | 0.94%          | Same Rate of Use as 2021               |              |               |
|               | 36,812,214              | 8,076,600                                       | 5,186,841   | 346,035        | % of Age 21 and Over Using Annually    |              |               |
| Total         | 39,920,843              | 9,352,692                                       | 6,481,585   | 506,751        |                                        | 23.43%       |               |
|               |                         |                                                 |             |                |                                        |              | Average       |
|               | Total Consumption Rates | Consumption                                     | Monthly     | Yearly         | Yearly                                 |              | Pounds of     |
|               | Age 21 and Older        | Grams/ Month                                    | Consumption | Consumption    | Consumption                            |              | Consumption   |
|               | Revised 5-30-2018       |                                                 | Grams       | Grams          | Pounds                                 |              | Per User Type |
|               |                         |                                                 |             | 12             | 453.59                                 |              |               |
|               | 9,352,692               | 2,364,356                                       | 3.5         | 8,275,246.33   | 99,302,956                             | 218,926.69   | 0.0926        |
|               | 6,481,585               | 6,481,585                                       | 21          | 136,113,283.55 | 1,633,359,403                          | 3,600,959.90 | 0.5556        |
|               | 506,751                 | 506,751                                         | 0.5         | 253,375.47     | 3,040,506                              | 6,703.20     | 0.0132        |
|               | February 10, 2019       | 9,352,692                                       |             |                |                                        | 3,827,043.38 | 0.4092        |

| Option A                                | Rate of Growth in Total Pounds Consumed |                                   |            |              |
|-----------------------------------------|-----------------------------------------|-----------------------------------|------------|--------------|
| Rate of Growth in Total Pounds Consumed |                                         |                                   |            |              |
| Age 21 and Over Growth Rate 2021-2060   |                                         |                                   | 2060       | 3,827,043.38 |
| Revised February 10, 2019               |                                         |                                   | 2021       | 2,958,184.91 |
|                                         |                                         |                                   | Difference | 868,858.47   |
| Total Annual Users                      |                                         |                                   |            |              |
| 23.43%                                  | Based on Difference Between the Years   | Growth Rate over 39 Years         |            | 22.703%      |
|                                         |                                         | Annual Growth Rate                |            | 0.582%       |
|                                         |                                         | Growth Rate Between 2021 and 2060 |            | 29.371%      |
|                                         |                                         | Annual Growth Rate                |            | 0.75%        |

| Rate of Growth in Total Number of Users Age 21 and Over |  |  |  | Total Users               | Monthly Users | Population |                    |
|---------------------------------------------------------|--|--|--|---------------------------|---------------|------------|--------------------|
| Age 21 and Over Growth Rate 2021-2060                   |  |  |  | 2060                      | 9,352,692     | 6,481,585  | 39,920,843         |
| Revised February 10, 2019                               |  |  |  | 2021                      | 7,129,377     | 5,033,427  | 29,903,072         |
| 2060 Option A                                           |  |  |  | Difference                | 2,223,314     | 1,448,158  | Age 21<br>and Over |
| Based on Difference Between the Years                   |  |  |  | Growth Rate over 39 Years | 23.772%       | 42.807%    |                    |
|                                                         |  |  |  | Annual Growth Rate        | 0.610%        | 1.098%     |                    |
| Based on 2021 / 2016 Total Growth - 100%                |  |  |  | Growth Rate over 39 Years | 31.185%       | 28.771%    | 33.501%            |
|                                                         |  |  |  | Annual Growth Rate        | 0.800%        | 0.738%     | 0.859%             |
|                                                         |  |  |  | Growth Rate Since 2016    | 211.95%       | 225.15%    |                    |

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cont'd

| 2060 Option B |                           | 2060 California Use of Cannabis Age 21 and Over |             |                |               |                                            |        |
|---------------|---------------------------|-------------------------------------------------|-------------|----------------|---------------|--------------------------------------------|--------|
|               | Population<br>21 and Over | Annual Use                                      | Monthly Use | First Use      |               | Population Growth and Increased % of Users |        |
| 21 to 25      |                           | 65.00%                                          | 50.00%      | 10.00%         |               | Assumed Increase Rate of Use over 2021     |        |
|               | 3,108,629                 | 2,020,608.9                                     | 1,554,314.5 | 310,862.9      |               | Same Consumption Rate per User as 2021     |        |
| 26 and Up     |                           | 40.00%                                          | 25.00%      | 5.00%          |               | Assumed Increase Rate of Use over 2021     |        |
|               | 36,812,214                | 14,724,886                                      | 9,203,054   | 1,840,611      |               | % of Age 21 and Over Using Annually        |        |
| Total         | 39,920,843                | 16,745,494                                      | 10,757,368  | 2,151,474      |               | 41.95%                                     |        |
| )             | Total Consumption Rates   | Consumption                                     | Monthly     | Yearly         | Yearly        | Average                                    |        |
|               | Age 21 and Older          | Grams/ Month                                    | Consumption | Consumption    | Consumption   | Pounds of                                  |        |
|               |                           |                                                 |             |                |               | Consumption                                |        |
|               | Revised 5-30-2018         |                                                 | Grams       | Grams          | Pounds        | Per User Type                              |        |
|               |                           |                                                 |             | 12             | 453.59        |                                            |        |
|               | 16,745,494                | 3,836,653                                       | 3.5         | 13,428,284.98  | 161,139,420   | 355,253.47                                 | 0.0926 |
|               | 10,757,368                | 10,757,368                                      | 21          | 225,904,728.00 | 2,710,856,736 | 5,976,447.31                               | 0.5556 |
|               | 2,151,474                 | 2,151,474                                       | 0.5         | 1,075,736.80   | 12,908,842    | 28,459.27                                  | 0.0132 |
|               | February 10, 2019         | 16,745,494                                      |             |                |               | 6,360,613.64                               | 0.3798 |

|                                         |                                         |                                   |            |              |  |
|-----------------------------------------|-----------------------------------------|-----------------------------------|------------|--------------|--|
| Option B                                | Rate of Growth in Total Pounds Consumed |                                   |            |              |  |
| Rate of Growth in Total Pounds Consumed |                                         |                                   |            |              |  |
| Age 21 and Over Growth Rate 2021-2060   |                                         |                                   | 2060       | 6,360,613.64 |  |
| Revised February 10, 2019               |                                         |                                   | 2021       | 2,958,184.91 |  |
|                                         |                                         |                                   | Difference | 3,402,428.73 |  |
| Total Annual Users                      |                                         |                                   |            |              |  |
| 41.95%                                  | Based on Difference Between the Years   | Growth Rate over 39 Years         |            | 53.492%      |  |
|                                         |                                         | Annual Growth Rate                |            | 1.372%       |  |
|                                         |                                         | Growth Rate Between 2021 and 2060 |            | 115.017%     |  |
|                                         |                                         |                                   |            |              |  |
|                                         |                                         | Annual Growth Rate                |            | 2.95%        |  |

| Rate of Growth in Total Number of Users Age 21 and Over |  |  | Total Users               | Monthly Users | Population |                 |
|---------------------------------------------------------|--|--|---------------------------|---------------|------------|-----------------|
| Age 21 and Over Growth Rate 2021-2060                   |  |  | 2060                      | 16,745,494    | 10,757,368 | 39,920,843      |
| Revised February 10, 2019                               |  |  | 2021                      | 7,129,377     | 5,033,427  | 29,903,072      |
| 2060 Option B                                           |  |  | Difference                | 9,616,117     | 5,723,941  | Age 21 and Over |
| Based on Difference Between the Years                   |  |  | Growth Rate over 39 Years | 57.425%       | 42.807%    |                 |
|                                                         |  |  | Annual Growth Rate        | 1.472%        | 1.098%     |                 |
| Based on 2021 / 2016 Total Growth - 100%                |  |  | Growth Rate over 39 Years | 134.880%      | 113.719%   | 33.501%         |
|                                                         |  |  | Annual Growth Rate        | 3.458%        | 2.916%     | 0.859%          |
|                                                         |  |  | Growth Rate Since 2016    | 379.48%       | 373.68%    |                 |

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| 2060 Option C |                         | 2060 California Use of Cannabis Age 21 and Over |             |                |                                        |               |               |
|---------------|-------------------------|-------------------------------------------------|-------------|----------------|----------------------------------------|---------------|---------------|
|               | Population              | Annual Use                                      | Monthly Use | First Use      |                                        |               |               |
|               | 21 and Over             |                                                 |             |                | 100% of Population 21 and Over Using   |               |               |
| 21 to 25      |                         | 100.00%                                         | 60.00%      | 10.00%         | 100% Annual Users, 65% Monthly Users   |               |               |
|               | 3,108,629               | 3,108,629.0                                     | 1,865,177.4 | 310,862.9      | Same Consumption Rate per User as 2021 |               |               |
| 26 and Up     |                         | 100.00%                                         | 35.00%      | 5.00%          | 100% Annual Users, 50% Monthly Users   |               |               |
|               | 36,812,214              | 36,812,214                                      | 12,884,275  | 1,840,611      | % of Age 21 and Over Using Annually    |               |               |
| Total         | 39,920,843              | 39,920,843                                      | 14,749,452  | 2,151,474      |                                        | 100.00%       |               |
|               |                         |                                                 |             |                |                                        |               | Average       |
|               | Total Consumption Rates | Consumption                                     | Monthly     | Yearly         | Yearly                                 |               | Pounds of     |
|               | Age 21 and Older        | Grams/ Month                                    | Consumption | Consumption    | Consumption                            |               | Consumption   |
|               | Revised 5-30-2018       |                                                 | Grams       | Grams          | Pounds                                 |               | Per User Type |
|               |                         |                                                 |             |                | 12                                     | 453.59        |               |
|               | 39,920,843              | 23,019,917                                      | 3.5         | 80,569,709.85  | 966,836,518                            | 2,131,520.80  | 0.0926        |
|               | 14,749,452              | 14,749,452                                      | 21          | 309,738,498.30 | 3,716,861,980                          | 8,194,320.82  | 0.5556        |
|               | 2,151,474               | 2,151,474                                       | 0.5         | 1,075,736.80   | 12,908,842                             | 28,459.27     | 0.0132        |
|               | February 10, 2019       | 39,920,843                                      |             |                |                                        | 10,354,754.48 | 0.2594        |

| Option C                                | Rate of Growth in Total Pounds Consumed |  |                                   |            |               |
|-----------------------------------------|-----------------------------------------|--|-----------------------------------|------------|---------------|
| Rate of Growth in Total Pounds Consumed |                                         |  |                                   |            |               |
| Age 21 and Over Growth Rate 2021-2060   |                                         |  |                                   | 2060       | 10,354,754.48 |
| Revised February 10, 2019               |                                         |  |                                   | 2021       | 2,958,184.91  |
|                                         |                                         |  |                                   | Difference | 7,396,569.57  |
| Total Annual Users                      |                                         |  |                                   |            |               |
| 100.00%                                 | Based on Difference Between the Years   |  | Growth Rate over 39 Years         |            | 71.432%       |
|                                         |                                         |  | Annual Growth Rate                |            | 1.832%        |
|                                         |                                         |  | Growth Rate Between 2021 and 2060 |            | 250.037%      |
|                                         |                                         |  | Annual Growth Rate                |            | 6.41%         |

| Rate of Growth in Total Number of Users Age 21 and Over |  |  |  | Total Users               | Monthly Users | Population      |
|---------------------------------------------------------|--|--|--|---------------------------|---------------|-----------------|
| Age 21 and Over Growth Rate 2021-2060                   |  |  |  | 2060                      | 39,920,843    | 39,920,843      |
| Revised February 10, 2019                               |  |  |  | 2021                      | 7,129,377     | 29,903,072      |
| 2060 Option C                                           |  |  |  | Difference                | 32,791,466    | Age 21 and Over |
| Based on Difference Between the Years                   |  |  |  | Growth Rate over 39 Years | 82.141%       |                 |
|                                                         |  |  |  | Annual Growth Rate        | 2.106%        |                 |
| Based on 2021 / 2016 Total Growth - 100%                |  |  |  | Growth Rate over 39 Years | 459.949%      | 33.501%         |
|                                                         |  |  |  | Annual Growth Rate        | 11.794%       | 0.859%          |
|                                                         |  |  |  | Growth Rate Since 2016    | 904.67%       |                 |

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| 2060 Option D |                         | 2060 California Use of Cannabis Age 21 and Over |             |                |                                                |              |               |
|---------------|-------------------------|-------------------------------------------------|-------------|----------------|------------------------------------------------|--------------|---------------|
|               | Population              | Annual Use                                      | Monthly Use | First Use      |                                                |              |               |
|               | 21 and Over             |                                                 |             |                | Population Growth and 50% of 21 and Over Using |              |               |
| 21 to 25      |                         | 65.00%                                          | 50.00%      | 10.00%         | 50% Annual Users, 45% Monthly Users            |              |               |
|               | 3,108,629               | 2,020,608.9                                     | 1,554,314.5 | 310,862.9      | 200% Consumption Rate per User over 2021       |              |               |
| 26 and Up     |                         | 40.00%                                          | 25.00%      | 5.00%          | 40% Annual Users, 25% Monthly Users            |              |               |
|               | 36,812,214              | 14,724,886                                      | 9,203,054   | 1,840,611      | % of Age 21 and Over Using Annually            |              |               |
| Total         | 39,920,843              | 16,745,494                                      | 10,757,368  | 2,151,474      |                                                | 41.95%       |               |
|               | Total Consumption Rates | Consumption                                     | Monthly     | Yearly         | Yearly                                         | Average      |               |
|               | Age 21 and Older        | Grams/ Month                                    | Consumption | Consumption    | Consumption                                    | Pounds of    |               |
|               | Revised 5-30-2018       |                                                 | Grams       | Grams          | Pounds                                         | Consumption  |               |
|               |                         | 50% Increase                                    |             |                | 12                                             | 453.59       | Per User Type |
|               | 16,745,494              | 3,836,653                                       | 5.25        | 20,142,427.46  | 241,709,130                                    | 532,880.20   | 0.1389        |
|               | 10,757,368              | 10,757,368                                      | 31.5        | 338,857,092.00 | 4,066,285,104                                  | 8,964,670.97 | 0.8334        |
|               | 2,151,474               | 2,151,474                                       | 0.75        | 1,613,605.20   | 19,363,262                                     | 42,688.91    | 0.0198        |
|               | February 10, 2019       | 16,745,494                                      |             |                |                                                | 9,540,693.67 | 0.5697        |

| Option D                                | Rate of Growth in Total Pounds Consumed |  |                                   |              |
|-----------------------------------------|-----------------------------------------|--|-----------------------------------|--------------|
| Rate of Growth in Total Pounds Consumed |                                         |  |                                   |              |
| Age 21 and Over Growth Rate 2021-2060   |                                         |  | 2060                              | 9,540,693.67 |
| Revised February 10, 2019               |                                         |  | 2021                              | 2,958,184.91 |
|                                         |                                         |  | Difference                        | 6,582,508.76 |
| Total Annual Users                      |                                         |  |                                   |              |
| 41.95%                                  | Based on Difference Between the Years   |  | Growth Rate over 39 Years         | 68.994%      |
|                                         |                                         |  | Annual Growth Rate                | 1.769%       |
|                                         |                                         |  | Growth Rate Between 2021 and 2060 | 222.519%     |
|                                         |                                         |  | Annual Growth Rate                | 5.71%        |

| Rate of Growth in Total Number of Users Age 21 and Over |  |                           | Total Users | Monthly Users | Population      |
|---------------------------------------------------------|--|---------------------------|-------------|---------------|-----------------|
| Age 21 and Over Growth Rate 2021-2060                   |  | 2060                      | 16,745,494  | 10,757,368    | 39,920,843      |
| Revised February 10, 2019                               |  | 2021                      | 7,129,377   | 5,033,427     | 29,903,072      |
| 2060 Option D                                           |  | Difference                | 9,616,117   | 5,723,941     | Age 21 and Over |
| Based on Difference Between the Years                   |  | Growth Rate over 39 Years | 57.425%     | 42.807%       |                 |
|                                                         |  | Annual Growth Rate        | 1.472%      | 1.098%        |                 |
| Based on 2021 / 2016 Total Growth - 100%                |  | Growth Rate over 39 Years | 134.880%    | 113.719%      | 33.501%         |
|                                                         |  | Annual Growth Rate        | 3.458%      | 2.916%        | 0.859%          |
|                                                         |  | Growth Rate Since 2016    | 379.48%     | 373.68%       |                 |

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| 2060 Option E |                         | 2060 California Use of Cannabis Age 21 and Over |             |                |                                          |               |               |
|---------------|-------------------------|-------------------------------------------------|-------------|----------------|------------------------------------------|---------------|---------------|
|               | Population              | Annual Use                                      | Monthly Use | First Use      |                                          |               |               |
|               | 21 and Over             |                                                 |             |                | 100% of Population 21 and Over Using     |               |               |
| 21 to 25      |                         | 100.00%                                         | 60.00%      | 10.00%         | 100% Annual Users, 65% Monthly Users     |               |               |
|               | 3,108,629               | 3,108,629.0                                     | 1,865,177.4 | 310,862.9      | 200% Consumption Rate per User over 2021 |               |               |
| 26 and Up     |                         | 100.00%                                         | 35.00%      | 5.00%          | 40% Annual Users, 25% Monthly Users      |               |               |
|               | 36,812,214              | 36,812,214                                      | 12,884,275  | 1,840,611      | % of Age 21 and Over Using Annually      |               |               |
| Total         | 39,920,843              | 39,920,843                                      | 14,749,452  | 2,151,474      |                                          | 100.00%       |               |
|               |                         |                                                 |             |                |                                          |               | Average       |
|               | Total Consumption Rates | Consumption                                     | Monthly     | Yearly         | Yearly                                   |               | Pounds of     |
|               | Age 21 and Older        | Grams/ Month                                    | Consumption | Consumption    | Consumption                              |               | Consumption   |
|               | Revised 5-30-2018       |                                                 | Grams       | Grams          | Pounds                                   |               | Per User Type |
|               |                         | 50% Increase                                    |             | 12             | 453.59                                   |               |               |
|               | 39,920,843              | 23,019,917                                      | 5.25        | 120,854,564.78 | 1,450,254,777                            | 3,197,281.20  | 0.1389        |
|               | 14,749,452              | 14,749,452                                      | 31.5        | 464,607,747.45 | 5,575,292,969                            | 12,291,481.23 | 0.8334        |
|               | 2,151,474               | 2,151,474                                       | 0.75        | 1,613,605.20   | 19,363,262                               | 42,688.91     | 0.0198        |
|               | February 10, 2019       | 39,920,843                                      |             |                |                                          | 15,531,904.92 | 0.3891        |

| Option E                                |                                       | Rate of Growth in Total Pounds Consumed |                    |               |  |
|-----------------------------------------|---------------------------------------|-----------------------------------------|--------------------|---------------|--|
| Rate of Growth in Total Pounds Consumed |                                       |                                         |                    |               |  |
| Age 21 and Over Growth Rate 2021-2060   |                                       |                                         | 2060               | 15,531,904.92 |  |
| Revised February 10, 2019               |                                       |                                         | 2021               | 2,958,184.91  |  |
|                                         |                                       |                                         | Difference         | 12,573,720.01 |  |
| Total Annual Users                      |                                       |                                         | Annual Growth Rate |               |  |
| 100.00%                                 | Based on Difference Between the Years | Growth Rate over 39 Years               |                    | 80.954%       |  |
|                                         |                                       | Annual Growth Rate                      |                    | 2.076%        |  |
|                                         |                                       | Growth Rate Between 2021 and 2060       |                    | 425.048%      |  |
|                                         |                                       | Annual Growth Rate                      |                    | 10.90%        |  |

| Rate of Growth in Total Number of Users Age 21 and Over |  |                           | Total Users | Monthly Users | Population      |
|---------------------------------------------------------|--|---------------------------|-------------|---------------|-----------------|
| Age 21 and Over Growth Rate 2021-2060                   |  | 2060                      | 39,920,843  | 14,749,452    | 39,920,843      |
| Revised February 10, 2019                               |  | 2021                      | 7,129,377   | 5,033,427     | 29,903,072      |
| 2060 Option E                                           |  | Difference                | 32,791,466  | 9,716,025     | Age 21 and Over |
| Based on Difference Between the Years                   |  | Growth Rate over 39 Years | 82.141%     | 42.807%       |                 |
|                                                         |  | Annual Growth Rate        | 2.106%      | 1.098%        |                 |
| Based on 2021 / 2016 Total Growth - 100%                |  | Growth Rate over 39 Years | 459.949%    | 193.030%      | 33.501%         |
|                                                         |  | Annual Growth Rate        | 11.794%     | 4.949%        | 0.859%          |
|                                                         |  | Growth Rate Since 2016    | 904.67%     | 512.35%       |                 |

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| 2060 Option F |                         | 2060 California Use of Cannabis Age 21 and Over |             |                |                                          |              |               |
|---------------|-------------------------|-------------------------------------------------|-------------|----------------|------------------------------------------|--------------|---------------|
|               | Population              | Annual Use                                      | Monthly Use | First Use      |                                          |              |               |
|               | 21 and Over             |                                                 |             |                | 100% of Population 21 and Over Using     |              |               |
| 21 to 25      |                         | 65.00%                                          | 45.00%      | 5.00%          | 100% Annual Users, 65% Monthly Users     |              |               |
|               | 3,108,629               | 2,020,608.9                                     | 1,398,883.1 | 155,431.5      | 200% Consumption Rate per User over 2021 |              |               |
| 26 and Up     |                         | 50.00%                                          | 30.00%      | 5.00%          | 40% Annual Users, 25% Monthly Users      |              |               |
|               | 36,812,214              | 18,406,107                                      | 11,043,664  | 1,840,611      | % of Age 21 and Over Using Annually      |              |               |
| Total         | 39,920,843              | 20,426,716                                      | 12,442,547  | 1,996,042      |                                          | 51.17%       |               |
|               |                         |                                                 |             |                |                                          |              | Average       |
|               | Total Consumption Rates | Consumption                                     | Monthly     | Yearly         | Yearly                                   |              | Pounds of     |
|               | Age 21 and Older        | Grams/ Month                                    | Consumption | Consumption    | Consumption                              |              | Consumption   |
|               | Revised 5-30-2018       |                                                 | Grams       | Grams          | Pounds                                   |              | Per User Type |
|               |                         | 25% Increase                                    |             | 12             | 453.59                                   |              |               |
|               | 20,426,716              | 5,988,126                                       | 4.375       | 26,198,053.22  | 314,376,639                              | 693,085.47   | 0.1157        |
|               | 12,442,547              | 12,442,547                                      | 26.25       | 326,616,865.31 | 3,919,402,384                            | 8,640,848.31 | 0.6945        |
|               | 1,996,042               | 1,996,042                                       | 0.625       | 1,247,526.34   | 14,970,316                               | 33,004.07    | 0.0165        |
|               | February 10, 2019       | 20,426,716                                      |             |                |                                          | 9,367,391.44 | 0.4586        |

| Option F                                |                                       | Rate of Growth in Total Pounds Consumed |                                   |            |              |
|-----------------------------------------|---------------------------------------|-----------------------------------------|-----------------------------------|------------|--------------|
| Rate of Growth in Total Pounds Consumed |                                       |                                         |                                   |            |              |
| Age 21 and Over Growth Rate 2021-2060   |                                       |                                         |                                   | 2060       | 9,367,391.44 |
| Revised February 10, 2019               |                                       |                                         |                                   | 2021       | 2,958,184.91 |
|                                         |                                       |                                         |                                   | Difference | 6,409,206.53 |
| Total Annual Users                      |                                       |                                         | Annual Growth Rate                |            |              |
| 51.17%                                  | Based on Difference Between the Years |                                         | Growth Rate over 39 Years         |            | 68.420%      |
|                                         |                                       |                                         | Annual Growth Rate                |            | 1.754%       |
|                                         |                                       |                                         | Growth Rate Between 2021 and 2060 |            | 216.660%     |
|                                         |                                       |                                         | Annual Growth Rate                |            | 5.56%        |

| Rate of Growth in Total Number of Users Age 21 and Over |  |                           | Total Users | Monthly Users | Population      |
|---------------------------------------------------------|--|---------------------------|-------------|---------------|-----------------|
| Age 21 and Over Growth Rate 2021-2060                   |  | 2060                      | 20,426,716  | 12,442,547    | 39,920,843      |
| Revised February 10, 2019                               |  | 2021                      | 7,129,377   | 5,033,427     | 29,903,072      |
| 2060 Option F                                           |  | Difference                | 13,297,338  | 7,409,120     | Age 21 and Over |
| Based on Difference Between the Years                   |  | Growth Rate over 39 Years | 65.098%     | 42.807%       |                 |
|                                                         |  | Annual Growth Rate        | 1.669%      | 1.098%        |                 |
| Based on 2021 / 2016 Total Growth - 100%                |  | Growth Rate over 39 Years | 186.515%    | 147.198%      | 33.501%         |
|                                                         |  | Annual Growth Rate        | 4.782%      | 3.774%        | 0.859%          |
|                                                         |  | Growth Rate Since 2016    | 462.90%     | 432.22%       |                 |

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## Section D – Electric Use, Heat Build-up and Risk of Crop Failure

Move to Appendix

### Heat Build-up and Risk of Crop Failure

According to a sensible article found at <http://sungrownzero.com/cannabis-cultivation/> “Heat build-up is the biggest enemy of cannabis plants, which are highly susceptible to molds and mildews, especially in their flowering phase. Any facility that causes heat build-up as a byproduct will be harder and more expensive to control and will increase the likelihood of crop failure due to molds and mildews”. This typically is a large concern for indoor growers who are operating very powerful lights such as the 1000-watt HID lights which are good at what they do, but they also run hot. Generally the higher the lamp wattage, the higher the heat output in the cultivation space. A single 1000-watt bulb will generate 3400+ BTUs of heat per hour. That means a grow facility needs suitable ventilation and a hard-working climate control system; that also means more energy costs”.

“This is also where mixed light greenhouses don’t hold up. These facilities require the use of polycarbonate plastics to allow adequate light to penetrate, but these panels also allow through the UV and IR, which remains trapped within the greenhouse and leads to heat build-up that can harm plants and promote the growth of molds and mildews. Cannabis plants are highly sensitive and require an optimal environment for growth, so careful climate control is essential”.

An article at [http://www.confluence-denver.com/features/sustainable\\_cannabis\\_071614.aspx](http://www.confluence-denver.com/features/sustainable_cannabis_071614.aspx) also discusses heat build-up for a number of systems which are used in grow houses in Denver. “Every watt,” Keen explains, “produces roughly 3.4 BTUs of heat.” A 1,000-watt light puts out more heat than some hair dryers and a warehouse may have hundreds of these lights. “That’s the primary issue; you’ve basically got thousands and thousands of watts of heating in a space that needs to be at 78 degrees for the plant.”

Another relevant article says; “The electricity is a huge, huge portion of the cost of growing,” says Dave Gardner, Senior Horticulturist with consulting firm [Colorado Cannabis Systems](#). “In a warehouse, it costs \$700 to \$750 a pound. But that’s very efficient and people aren’t always achieving that number.”

[http://www.calmac.org/publications/SDG%26E\\_Cannabis\\_Ag\\_Energy\\_Demand\\_Final\\_Report\\_071516.pdf](http://www.calmac.org/publications/SDG%26E_Cannabis_Ag_Energy_Demand_Final_Report_071516.pdf)

### 3.2 Growing Techniques and Preferences

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Cannabis is grown outdoors, indoors and in greenhouses with varying levels of energy demand in each setting. Indoor growing requires the most energy due to lighting, cooling and ventilation needs. Across all growing applications, the ideal temperature for cannabis production is between 75 and 86 degrees Fahrenheit with 12 to 24 hours of lighting a day depending on the stage of the growth cycle. Greenhouse growers use less energy by supplementing daytime lighting needs with natural light, but still need additional lighting in the mornings and evenings in addition to venting and air conditioning. Outdoor and greenhouse growing conditions are more variable and produce less predictable yields.

A 2014 report notes that 90 percent of cannabis production in California occurs outdoors. This is higher than the percentage of outdoor growth in Oregon and may be due to differences in climate. Since the 2014 report, there has been a trend towards increased use of indoor cultivation facilities (generally converted warehouses) because they help reduce the production cycle time, can standardize ideal conditions with regards to temperature, irrigation and lighting, and are viewed as being more secure. Instead of having to adhere to natural production cycles that last between 20 to 26 weeks (consisting of planting seedlings in the spring, with the vegetative stage beginning in early spring and summer and the flowering stage in mid to late summer), indoor cultivation facilities allow for year-round production with production cycles of between 14 and 18 weeks.

Energy usage is especially high during the seedling and vegetative stages of the cultivation cycle, when growers commonly have tubular fluorescent lighting on 24 hours a day for the first two to four weeks followed by metal halide lamps of between 400 and 1,000 watts on for 18 hours a day for three to five weeks. Furthermore, a survey conducted among Washington cannabis growers found that growers typically have separate rooms for plants in the seedling and vegetative stages versus the flowering stages. According to the survey results, a 1,000 watt metal halide lamp typically serves two to eight cannabis plants in the early stages of production, while a 1,000 watt high pressure sodium lamp typically serves two to three plants in the flowering stage of growth. The intensive lighting installations are specifically made for horticulture, providing the necessary heating and nutrients for the cannabis plants to grow quickly and yield the most amount of product. In addition to the lighting requirements, each room also included separate HVAC equipment with the equivalent of a mini-split heat pump for every 1,000 square feet of space, along with a larger central rooftop air conditioner.

As previously discussed, cannabis indoor cultivation facilities generally have their lighting equipment operating between 12 and 24 hours a day depending on the stage of the plant growth cycle. As a result, the facilities generally are impacted by the time of use rates that utilities charge for usage during peak demand times, such as between 2 p.m. and 6 p.m., which can account for up to 60 percent of growers' energy bills. Because of the massive energy demand from cannabis production, utilities such as Mason County PUD

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3 in Washington created cannabis-specific time of use rates for cannabis industry customers.

### *Product Yield Trumps Energy Efficiency, Although Energy Efficiency is Becoming More of a Priority in More Established Markets*

Specifically, the trade organizations, like the utilities, said that product quality and overall yield remain the most important considerations for cannabis growers. Additionally, five of the six trade organizations Evergreen interviewed noted that energy costs are important for cannabis growers but may not be prioritized over product quality and yield. In more established markets such as Colorado or the medical cannabis market in California, where competition plays a key role in differentiating producers, efficiency has started to become a higher priority. However, trade organizations in both Colorado and Oregon noted that efficiency still lags behind the concern for overall yield. As the certification group founder noted:

*“I’ve always said, energy efficiency is almost dead last when they have fundamental challenges like “Is my bank account going to get shut down?” Historically, producers have always paid their bills and the margins have been fine.”*

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#### Water

For example, one Oregon study found that commercial facilities using a hand watering system were consuming up to 30,000 gallons of water per week. Providing incentives for cannabis producers to transition to drip irrigation systems could help producers lower their water use by 66 percent per week.

Specifically, the Oregon grower advocate added that production costs—notably from lighting—for indoor facilities can be between \$800 and \$1,000 per pound of yield compared to between \$150 and \$300 per pound for outdoor operations that do not rely on artificial lighting.

### *Water Consumption*

The Colorado advisor Evergreen interviewed noted that water consumption is fairly comparable between indoor and outdoor facilities despite the assumption that outdoor operations face more issues with water evaporation during the warmer summer months. The nonprofit certification group Evergreen interviewed spoke with a regional grower, which said they used between five and seven gallons of water per plant per day. Additionally, there are concerns with pesticide runoff and the implications of using federal versus private water for their operations.



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These Plants could use the 6 gallons a day, but these are not a typical outdoor cultivation site in Nevada County.

[https://mass-cannabis-control.com/wp-content/uploads/2018/03/Presentation\\_Cannabis-Energy-Overview-to-CCC.pdf](https://mass-cannabis-control.com/wp-content/uploads/2018/03/Presentation_Cannabis-Energy-Overview-to-CCC.pdf)

#### Propagation

3-5 Weeks

18-24 hours of light per day

Lower intensity lighting

#### Vegetative

2-8 Weeks

18-24 hours of light per day

High intensity light

High cooling needs

Dehumidification needs

Flowering

6-8 Weeks

Very High intensity light

Very high cooling needs

High dehumidification needs

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cont'd

## Population Estimates

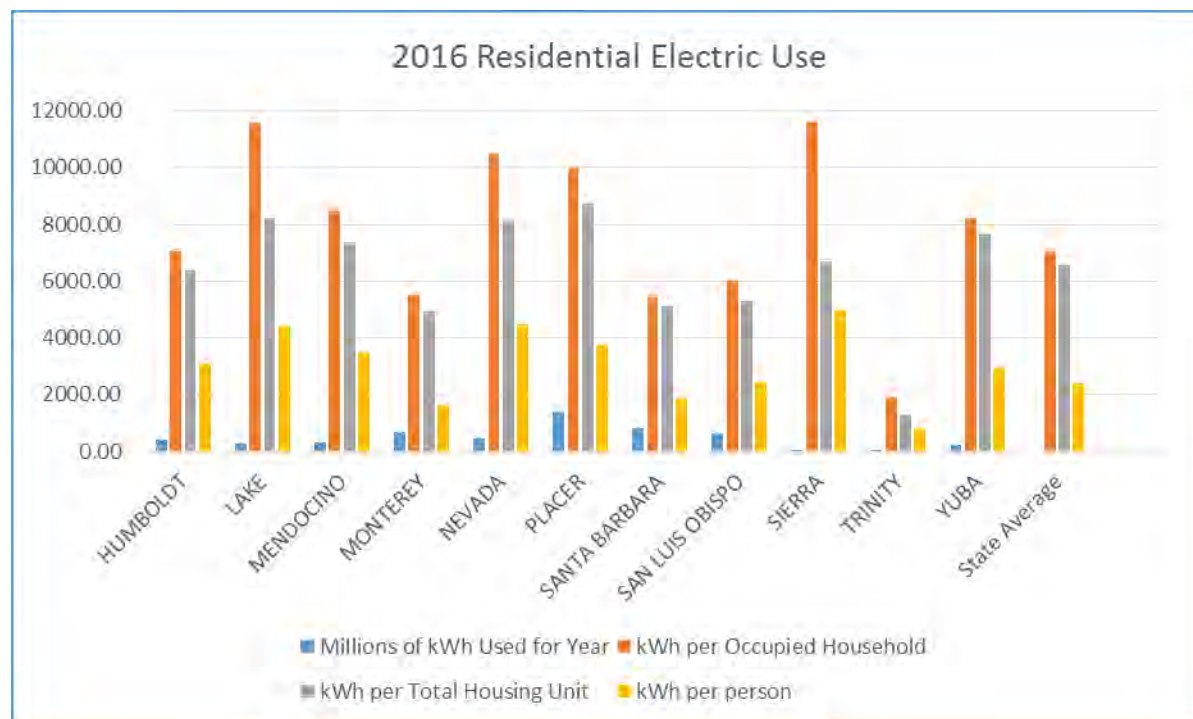
These Population Estimates are for counties where a high number of cannabis licenses have been issued and adjacent counties to Nevada County.

| Table 1: E-5 County/State Population and Housing Estimates, 1/1/2016 |            |            |                |               |                 |                 |             |           |              |            |              |                       |
|----------------------------------------------------------------------|------------|------------|----------------|---------------|-----------------|-----------------|-------------|-----------|--------------|------------|--------------|-----------------------|
| COUNTY                                                               | POPULATION |            |                | HOUSING UNITS |                 |                 |             |           |              |            | Vacancy Rate | Persons per Household |
|                                                                      | Total      | Household  | Group Quarters | Total         | Single Detached | Single Attached | Two to Four | Five Plus | Mobile Homes | Occupied   |              |                       |
| Calaveras                                                            | 45,246     | 44,747     | 499            | 27,752        | 24,138          | 366             | 670         | 392       | 2,186        | 18,098     | 34.8%        | 2.47                  |
| Humboldt                                                             | 135,417    | 129,875    | 5,542          | 62,502        | 42,405          | 2,085           | 6,207       | 5,680     | 6,125        | 56,611     | 9.4%         | 2.29                  |
| Lake                                                                 | 64,741     | 63,581     | 1,160          | 34,278        | 23,247          | 458             | 1,142       | 1,607     | 7,824        | 24,423     | 28.8%        | 2.60                  |
| Mendocino                                                            | 88,721     | 86,746     | 1,975          | 40,827        | 28,605          | 1,370           | 2,519       | 2,791     | 5,542        | 35,632     | 12.7%        | 2.43                  |
| Monterey                                                             | 438,175    | 417,581    | 20,594         | 139,435       | 88,062          | 8,911           | 12,496      | 24,269    | 5,697        | 125,337    | 10.1%        | 3.33                  |
| Nevada                                                               | 98,520     | 97,306     | 1,214          | 53,347        | 44,179          | 840             | 2,250       | 2,911     | 3,167        | 41,308     | 22.6%        | 2.36                  |
| Placer                                                               | 375,618    | 371,851    | 3,767          | 160,369       | 125,031         | 4,195           | 8,421       | 18,456    | 4,266        | 140,240    | 12.6%        | 2.65                  |
| Santa Barbara                                                        | 447,073    | 428,205    | 18,868         | 156,520       | 91,471          | 10,444          | 15,077      | 31,506    | 8,022        | 147,108    | 6.0%         | 2.91                  |
| San Luis Obispo                                                      | 278,141    | 262,259    | 15,882         | 120,308       | 81,695          | 6,586           | 9,135       | 12,154    | 10,738       | 106,165    | 11.8%        | 2.47                  |
| Sierra                                                               | 3,195      | 3,162      | 33             | 2,339         | 2,110           | 24              | 33          | 73        | 99           | 1,347      | 42.4%        | 2.35                  |
| Trinity                                                              | 13,647     | 13,260     | 387            | 8,765         | 5,827           | 117             | 347         | 269       | 2,205        | 5,734      | 34.6%        | 2.31                  |
| Yuba                                                                 | 74,328     | 73,047     | 1,281          | 28,089        | 19,593          | 545             | 2,649       | 2,343     | 2,959        | 26,062     | 7.2%         | 2.80                  |
| California                                                           | 39,179,627 | 38,344,666 | 834,961        | 13,982,846    | 8,094,754       | 977,779         | 1,123,600   | 3,225,858 | 560,855      | 12,992,093 | 7.1%         | 2.95                  |

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These are comparable electric use rates by select counties

| <b>2016 Residential Electric Use</b> |             |                                        |             |                                  |                   |                                     |
|--------------------------------------|-------------|----------------------------------------|-------------|----------------------------------|-------------------|-------------------------------------|
|                                      | Type        | Millions<br>of kWh<br>Used for<br>Year | Total kWh   | kWh per<br>Occupied<br>Household | kWh per<br>person | kWh per<br>Total<br>Housing<br>Unit |
| CALAVERAS                            | Residential | 198.75                                 | 198753712   | 10982.08                         | 4442.59           | 7161.78                             |
| HUMBOLDT                             | Residential | 399.11                                 | 399105809   | 7049.97                          | 3073.22           | 6385.49                             |
| LAKE                                 | Residential | 282.52                                 | 282518822   | 11567.74                         | 4444.00           | 8241.99                             |
| MENDOCINO                            | Residential | 300.89                                 | 300893534   | 8444.48                          | 3469.38           | 7369.96                             |
| MONTEREY                             | Residential | 688.81                                 | 688811101   | 5495.67                          | 1649.36           | 4940.02                             |
| NEVADA                               | Residential | 433.92                                 | 433918557   | 10504.47                         | 4458.60           | 8133.89                             |
| PLACER                               | Residential | 1402.46                                | 1402456464  | 10000.40                         | 3770.89           | 8745.18                             |
| SANTA BARBARA                        | Residential | 799.18                                 | 799182881   | 5432.63                          | 1866.24           | 5105.95                             |
| SAN LUIS OBISPO                      | Residential | 637.36                                 | 637356382   | 6003.45                          | 2430.55           | 5297.71                             |
| SIERRA                               | Residential | 15.67                                  | 15665689    | 11630.06                         | 4955.29           | 6697.60                             |
| TRINITY                              | Residential | 11.00                                  | 10999486    | 1918.29                          | 829.35            | 1254.93                             |
| YUBA                                 | Residential | 215.09                                 | 215090257   | 8253.02                          | 2944.35           | 7657.46                             |
| State Average                        | Residential | 91686.11                               | 91686108376 | 7057.07                          | 2391.10           | 6557.04                             |



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## Electric Consumption Rates for Different Building Types

**Table 7.6. Summary of Electricity Consumption by Building Category from CBECS 2003 and 2012** <sup>779</sup>

| Principal building activity | Building Floorspace (Billion sq. ft.) |       | % change 2003 to 2012 | Building Electricity Intensity (kWh per sq. ft.) |      | % change 2003 to 2012 | Electricity (TWh) |        | % change 2003 to 2012 | % of End-Use Electricity by Building Type |       |
|-----------------------------|---------------------------------------|-------|-----------------------|--------------------------------------------------|------|-----------------------|-------------------|--------|-----------------------|-------------------------------------------|-------|
|                             | 2003                                  | 2012  |                       | 2003                                             | 2012 |                       | 2003              | 2012   |                       | 2003                                      | 2012  |
| Food sales                  | 1.26                                  | 1.25  | 0%                    | 49.4                                             | 48.7 | -1%                   | 61.0              | 61.0   | 0%                    | 5.8%                                      | 4.9%  |
| Food service                | 1.65                                  | 1.82  | 10%                   | 38.4                                             | 45.0 | 17%                   | 63.6              | 81.8   | 29%                   | 6.0%                                      | 6.6%  |
| Other                       | 1.74                                  | 2.00  | 15%                   | 22.5                                             | 28.0 | 24%                   | 39.0              | 56.0   | 44%                   | 3.7%                                      | 4.5%  |
| Vacant                      | 2.57                                  | 3.26  | 27%                   | 2.4                                              | 2.3  | -4%                   | 4.4               | 7.6    | 73%                   | 0.6%                                      | 0.6%  |
| Health care                 | 3.16                                  | 4.16  | 31%                   | 22.9                                             | 25.8 | 12%                   | 72.7              | 107.0  | 47%                   | 6.8%                                      | 8.6%  |
| Lodging                     | 5.10                                  | 5.83  | 14%                   | 13.5                                             | 15.3 | 13%                   | 68.9              | 89.1   | 29%                   | 6.5%                                      | 7.2%  |
| Education                   | 9.87                                  | 12.24 | 24%                   | 11.0                                             | 11.0 | 0%                    | 108.7             | 134.2  | 23%                   | 10.2%                                     | 10.8% |
| Warehouse                   | 10.08                                 | 13.03 | 29%                   | 7.6                                              | 6.4  | -16%                  | 71.5              | 83.2   | 16%                   | 7.2%                                      | 6.7%  |
| Mercantile/Service          | 15.24                                 | 15.96 | 5%                    | 19.2                                             | 15.3 | -20%                  | 258.5             | 243.8  | -6%                   | 20.2%                                     | 16.6% |
| Office                      | 12.21                                 | 15.95 | 31%                   | 17.3                                             | 15.9 | -8%                   | 210.7             | 253.5  | 20%                   | 19.8%                                     | 20.4% |
| Assembly                    | 8.78                                  | 11.60 | 32%                   | 10.9                                             | 10.1 | -8%                   | 83.8              | 125.7  | 50%                   | 13.2%                                     | 13.1% |
| Total                       | 71.65                                 | 87.09 | 22%                   | 14.6                                             | 14.3 | -2%                   | 1042.8            | 1242.9 | 19%                   | 100%                                      | 100%  |

Overall building electricity intensity is down slightly (-2%) with fairly stable fractions of end-use electricity by building type.

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cont'd

## Electric Use for Cannabis Based on a Survey

<https://www.energy.gov/sites/prod/files/2017/01/f34/Electricity%20End%20Uses,%20Energy%20Efficiency,%20and%20Distributed%20Energy%20Resources.pdf>

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## Survey Findings

|                  | Lighting kWh/SF of Canopy | HVAC, etc. kWh /SF of Canopy |
|------------------|---------------------------|------------------------------|
| Indoor Only      | 100                       | 28                           |
| Greenhouse       | 7                         | 5                            |
| Outdoor          | 0.5                       | 0.6                          |
| Mix              | 27                        | 12                           |
| Weighted Average | 23                        | 6                            |

|                  | Total kWh /SF of canopy |
|------------------|-------------------------|
| Indoor Only      | 128                     |
| Greenhouse       | 12                      |
| Outdoor          | 1                       |
| Mix              | 38                      |
| Weighted Average | 29                      |

## Northwest Council on Electric Use for Washington and Oregon

[https://www.nwcouncil.org/sites/default/files/2018\\_0612\\_p4.pdf](https://www.nwcouncil.org/sites/default/files/2018_0612_p4.pdf)

- 2014- Colorado based estimate of indoor grows use: about 448 kWh per sqf
- 2017- Our survey shows drop in indoor power requirements: 128 KWh per sqf.
- But there is wide variation

Table 1: Lighting Power Density by Grow type

|                    | kWh lighting     | SQF in lighting analysis | Lighting kWh/SF of Canopy | # of Observations |
|--------------------|------------------|--------------------------|---------------------------|-------------------|
| <b>Indoor Only</b> | <b>5,434,552</b> | <b>54,577</b>            | <b>99.6</b>               | <b>16</b>         |
| Greenhouse         | 712,202          | 103,539                  | 6.9                       | 7                 |
| Outdoor            | 66,975           | 129,180                  | 0.5                       | 4                 |
| Mix                | 2,544,967        | 94,868                   | 26.8                      | 8                 |
| aggregated         | 8,758,695        | 382,164                  | 22.9                      | 35                |

Table 2: HVAC Power Density by Grow type

|             | HVAC, Pumping, etc. | SQF in HVAC analysis | HVAC, etc. kWh /SF of Canopy | # of Observations |
|-------------|---------------------|----------------------|------------------------------|-------------------|
| Indoor Only | 2,945,371           | 106,127              | 27.8                         | 19                |
| Greenhouse  | 756,073             | 152,089              | 5.0                          | 6                 |
| Outdoor     | 286,530             | 449,180              | 0.6                          | 3                 |
| Mix         | 648,922             | 56,248               | 11.5                         | 4                 |
| aggregated  | 4,636,896           | 763,644              | 6.1                          | 32                |

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cont'd

Table 3- Total Power Density by Grow Type

|             | Total kWh /SF of canopy |
|-------------|-------------------------|
| Indoor Only | 128                     |
| Greenhouse  | 12                      |
| Outdoor     | 1                       |
| Mix         | 38                      |
| Aggregated  | 29                      |

| Table 4           | Tier 1:<2000 | Tier 2: 2001-10,000 | Tier 3: 10,001-30,000 | Total Square footag | KWH/SF of canopy | Total aMW |
|-------------------|--------------|---------------------|-----------------------|---------------------|------------------|-----------|
| <b>Indoor</b>     | 215,010      | 1,188,782           | 1,597,797             | 3,001,589           | 128              | 44        |
| <b>Greenhouse</b> | 3,360        | 14,000              | 127,500               | 144,860             | 12               | 0.2       |
| <b>Outdoor</b>    | 17,468       | 523,844             | 2,545,903             | 3,087,215           | 1                | 0.4       |
| <b>Mix</b>        | 71,097       | 1,352,021           | 3,990,996             | 5,470,762           | 38               | 24        |
| <b>Aggregate</b>  | 306,935      | 3,078,647           | 8,262,196             | 11,704,426          | 51               | 68        |

Table 4- Estimated demand for power - cannabis production in Washington

**Table 5- estimated demand for power - cannabis production in Oregon\***

| <b>Table 5</b> | <b>Producer Indoor Sgf</b> | <b>Producer Outdoor Sgf</b> | <b>Total Sgf</b> | <b>KWh/sqf of</b> | <b>aMW</b> |
|----------------|----------------------------|-----------------------------|------------------|-------------------|------------|
| <b>Indoor</b>  | 1,708,020                  | -                           | 1,708,020        | 128               | 25         |
| <b>Mixed</b>   | 577,423                    | 3,490,455                   | 4,067,878        | 38                | 18         |
| <b>Outdoor</b> | -                          | 11,823,860                  | 11,823,860       | 1                 | 1          |
| <b>Total</b>   | 2,285,443                  | 15,314,315                  | 17,599,758       | 22                | 44         |

\*- Oregon data from OLCC does not parse out greenhouse canopy.

### Demand for Power by End Use and Canopy Space

Using the survey results, we estimated the kilowatt-hour of demand for lighting, HVAC, and other end uses.

Overall lighting represents 66 percent of the total demand for power in operations. The highest demand of lighting is in flowering rooms at 49 percent. Vegetative rooms use 12 percent of total electricity use.

HVAC and other end uses require about 33 percent of the total power consumption in the grow operations. Cooling end uses use 15 percent; ventilation takes up 12 percent; heating takes up 3 percent; and dehumidification 4 percent of total demand for power.

Table 6 shows the distribution of demand for electricity across different end uses and room types.

**Table 6- Total annual kWh of electricity used for grow operations (Among survey participants)**

|                           | KWH              | % of total |
|---------------------------|------------------|------------|
| Lighting, by environment: | <b>8,874,327</b> | <b>66%</b> |
| Clone room                | 43,184           | 0.32%      |
| Drying room               | 307              | 0.002%     |
| Flowering room            | 6,594,946        | 49%        |
| Vegetative room           | 1,686,266        | 12%        |
| Greenhouse                | 549,624          | 4%         |
|                           |                  |            |
| HVAC, by enduse type:     | <b>4,515,188</b> | <b>33%</b> |
| Cooling                   | 1,997,731        | 15%        |
| Heating                   | 384,489          | 3%         |
| Ventilation               | 1,583,041        | 12%        |
| Dehumidification          | 541,801          | 4%         |
| Pumps                     | 8,126            | 0.1%       |
|                           |                  |            |
| Misc. equipment           | 765              | 0.01%      |
|                           |                  |            |
| Carbon filter             | 122,535          | 1%         |

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cont'd

|       |            |      |
|-------|------------|------|
|       |            |      |
| Total | 13,512,815 | 100% |

## Not All Producers Are Equal

The estimated demand for power per square foot of canopy varies significantly depending on the lighting and HVAC technologies used and where the cultivation occurs: indoors, in a greenhouse, outdoors or in a mix of production spaces.

Although in this analysis we used an average metric for calculating the total demand for power by

cannabis producers, lighting power densities vary widely across producers. Choice of lighting technology and lighting energy management controls are two factors that can affect lighting power density. Under counting the number of lamps could be another reason for low lighting power density.

Using the survey data, we see that for some producers, lighting power density is about 200 kilowatt- hours per square foot of canopy space, while other producers use significantly less electricity for lighting.

For an indoor grow environment, the average lighting power density is 104 kilowatt-hours per square foot; the lowest level is 7 kilowatt-hours per square foot; and highest level is about 200 kilowatt-hours per square foot. For greenhouses, the average is 22 kilowatt-hours per square foot; the lowest is 1 kilowatt-hour per square foot; and the highest is 49 kilowatt-hours per square foot.

**Figure 1- Distribution of lighting power density across surveys**

## Energy Efficiency Potential

### Indoor Lighting

Based on the surveys, about 66 percent of a facility's electricity consumption is for lighting (see table 6).

A common practice, for both the vegetative and flowering room, is to use high-intensity discharge (HID) lamps (such as metal halide and high-pressure sodium). These lamps are typically around 1,000 watts each and operate 12 – 24 hours a day, depending on the growing cycle.

Growers use these bulbs because the color spectrum they produce is comparable to natural sunlight. However, they are not very efficient. Other lighting options--LEDs

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cont'd

## Cannabis Business Overview

| <b>Table 10: Business overview: Totals of all survey responses</b> |                  |
|--------------------------------------------------------------------|------------------|
| <b>Administrative</b>                                              |                  |
| Number of survey respondents (facilities)                          | 90               |
| % medical                                                          | 26%              |
| % recreational                                                     | 74%              |
|                                                                    |                  |
| Total growing sqf                                                  | Percent of total |
| Outdoor sqf                                                        | 68%              |
| Greenhouse sqf                                                     | 15%              |
| Indoor sqf                                                         | 15%              |
| Cloning room sqf                                                   | 1%               |
| Percent growing:                                                   | Percent total    |
| Sativa                                                             | 24%              |
| Indica                                                             | 24%              |
| Ruderalis                                                          | 3%               |
| Hybrid                                                             | 26%              |
| <b>Facility information</b>                                        |                  |
| % SQF growers owning                                               | 87%              |
| % SQF growers leasing                                              | 13%              |

As part of the survey, we asked a number of questions to get a better understanding of the cannabis producers' operations. Although not all the survey participants responded to the full set of questions, the survey responses we did receive gives a general picture of regional producers.

### Does ownership of facilities make a difference in power consumption?

Twenty-three producers provided information on whether they leased or owned their facilities. In general, producers who owned their facilities used less power.

**Table 11- Impact of Facility Ownership on Energy Consumption  
(kWh per sqf of canopy)**

|              | Average Lighting Power Density | Non-lighting Power Density |
|--------------|--------------------------------|----------------------------|
| <b>Lease</b> | <b>104</b>                     | <b>36</b>                  |
| Indoor Only  | 183                            | 55                         |
| Outdoor      |                                |                            |
| Mix          | 51                             | 18                         |

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cont'd

| Own         | 13 | 6  |
|-------------|----|----|
| Indoor Only | 31 | 22 |
| Greenhouse  | 23 | 2  |
| Outdoor     | 1  | 1  |
| Mix         | 12 | 8  |

## Has Cannabis Production Become Less Energy Intensive?

Yes. During development of the Seventh Power Plan, the Council estimated the energy intensity of cannabis production to be 448 kilowatt-hours per square feet of canopy, using the cultivation experience in Colorado, which is mostly indoors.

Current survey results show an overall energy intensity of 29 kilowatt-hours per square feet: 128 kilowatt-hours for indoor and 1 kilowatt-hour for outdoor canopy (Table 3). This lower average energy intensity was achieved by cultivating more outdoors; using better designed facilities dedicated to cannabis production rather than generic warehouse space; and using more energy- efficient lighting and HVAC technologies and practices.

If producers had produced at the 448 kilowatt-hour per square feet level of intensity and all licensed canopy was fully cultivated (29 million square feet), demand for power would have been significantly higher.

If the 29 million square feet had been cultivated indoors, demand would have been about 1,500 average megawatts, compared to 112 average megawatts. Moving to outdoor production, using more LEDs, and using less air conditioning helped achieve the sharp decline in energy use.

Although these are positive developments, indoor and greenhouse cannabis growers should be encouraged continue to invest in efficient lighting and cooling technologies. Only 10 percent of survey participants indicated that their local utility had contacted them. As we have shown in this report, switching to highly efficient lights can reduce energy use by half; once lighting is improved, demand for HVAC is reduced, which creates even more energy savings.

## Appendix

In the appendix section we are providing additional background material.

State of Washington data from the Washington State Liquor and Cannabis Board - Washington State report all applications Feb 2018- presents a rich level of details as to the growing environments and practices that can help in our endeavor to estimated total load for the cannabis growers. In the following section we see the square footage dedicated to each plant by plant strain and stage of development. On average each plant

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cont'd

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is dedicated 2 square feet of floor space. During the vegetative stage plants need less space between 1.05 and 1.44 square feet. As plants grow their need for space doubles. A flowering hybrid would need about 3 square feet per plant.

**Table 17: Average of Footprint of plant \***

|                    | Hybrid      | Indica      | Sativa      | Averaged    |
|--------------------|-------------|-------------|-------------|-------------|
| <b>Flowering</b>   | <b>2.91</b> | <b>2.65</b> | <b>2.45</b> | <b>2.74</b> |
| <b>Vegetative</b>  | <b>1.44</b> | <b>1.05</b> | <b>1.08</b> | <b>1.27</b> |
| <b>Grand Total</b> | <b>2.16</b> | <b>1.86</b> | <b>1.86</b> | <b>2.02</b> |

\*From Washington State report all applications Feb 2018

Table 18 shows the volume of space that different strains take, here again we see that at flowering stage plants take about 3 times the space as in vegetative stage.

**Table 18: Average volume of plants**

| Average of Volume of plan (ft <sup>3</sup> ) | Hybrid      | Indica      | Sativa      | Averaged    |
|----------------------------------------------|-------------|-------------|-------------|-------------|
| <b>Flowering</b>                             | <b>9.47</b> | <b>8.50</b> | <b>7.71</b> | <b>8.83</b> |
| <b>Vegetative</b>                            | <b>3.80</b> | <b>2.91</b> | <b>2.61</b> | <b>3.35</b> |
| <b>Grand Total</b>                           | <b>6.59</b> | <b>5.74</b> | <b>5.49</b> | <b>6.15</b> |

Spacing and volume of plants at different stages are development is important because it effects level of lighting needed.

**Table 19- Washington state producers by type of canopy**

| <b>Current Status</b>     | <b>Approved</b>      |                 |                           |                    |
|---------------------------|----------------------|-----------------|---------------------------|--------------------|
| <b>Count of Canopy</b>    | <b>Column Labels</b> |                 |                           |                    |
| <b>Row Labels</b>         | <b>Processor</b>     | <b>Producer</b> | <b>Producer/Processor</b> | <b>Grand Total</b> |
| Indoor                    | 10                   | 77              | 385                       | 472                |
| Indoor/Outdoor            | 1                    | 45              | 155                       | 201                |
| Greenhouse                |                      | 1               | 10                        | 11                 |
| Outdoor                   |                      | 63              | 122                       | 185                |
| Indoor/Greenhouse         |                      | 2               | 24                        | 26                 |
| Indoor/Outdoor/Greenhouse |                      | 4               | 41                        | 45                 |
| Outdoor/Greenhouse        | 1                    | 24              | 41                        | 66                 |
| NA                        | 154                  | 18              | 110                       | 282                |
| <b>Grand Total</b>        | <b>166</b>           | <b>234</b>      | <b>888</b>                | <b>1,288</b>       |

**Table 20- Washington state producer square footage by type of canopy**

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cont'd

|                           |                      |                  |                           |                    |
|---------------------------|----------------------|------------------|---------------------------|--------------------|
| Current Status            | Approved             |                  |                           |                    |
|                           |                      |                  |                           |                    |
| <b>Sum of Canopy</b>      | <b>Column Labels</b> |                  |                           |                    |
| <b>Row Labels</b>         | <b>Processor</b>     | <b>Producer</b>  | <b>Producer/Processor</b> | <b>Grand Total</b> |
| Indoor                    | 2,400                | 404,043          | 2,595,146                 | 3,001,589          |
| Greenhouse                |                      | 21,000           | 123,860                   | 144,860            |
| Indoor/Outdoor            | -                    | 559,144          | 2,189,804                 | 2,748,948          |
| Outdoor                   |                      | 1,121,405        | 1,965,810                 | 3,087,215          |
| Indoor/Greenhouse         |                      | 40,000           | 238,737                   | 278,737            |
| Indoor/Outdoor/Greenhouse |                      | 28,000           | 482,091                   | 510,091            |
| Outdoor/Greenhouse        | 10,000               | 279,200          | 623,998                   | 913,198            |
| NA                        | 96,000               | 138,104          | 785,684                   | 1,019,788          |
| <b>Grand Total</b>        | <b>108,400</b>       | <b>2,590,896</b> | <b>9,005,130</b>          | <b>11,704,426</b>  |

Table 21- Washington state production levels

| Total tonnage of product in state of Washington* | Pounds of usable cannabis | Metric Tons |
|--------------------------------------------------|---------------------------|-------------|
| 2014 last 7 months of the year                   | 6,711                     | 3.05        |
| 2015                                             | 470,272                   | 213.76      |
| 2016                                             | 2,115,513                 | 961.60      |
| 2017- first 5 months of the year                 | 1,673,776                 | 760.81      |

- Data from Washington Website showing weights

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Table 22- Washington Producers by Canopy type and Tier

| Canopy by tier   | Tier 1:<2000 | Tier 2: 2001- | Tier 3: 10,001- | Total      |
|------------------|--------------|---------------|-----------------|------------|
| Indoor           | 215,010      | 1,188,782     | 1,597,797       | 3,001,589  |
| Greenhouse       | 3,360        | 14,000        | 127,500         | 144,860    |
| Outdoor          | 17,468       | 523,844       | 2,545,903       | 3,087,215  |
| Mix              | 71,097       | 1,352,021     | 3,990,996       | 5,470,762  |
| Aggregate        | 306,935      | 3,078,647     | 8,262,196       | 11,704,426 |
|                  |              |               |                 |            |
| % Canopy by tier | Tier 1:<2000 | Tier 2: 2001- | Tier 3: 10,001- | Total      |
| Indoor           | 7%           | 40%           | 53%             | 100%       |
| Greenhouse       | 2%           | 10%           | 88%             | 100%       |
| Outdoor          | 1%           | 17%           | 82%             | 100%       |
| Mix              | 1%           | 25%           | 73%             | 100%       |
| Aggregate        | 3%           | 26%           | 71%             | 100%       |
|                  |              |               |                 |            |
| % Canopy by tier | Tier 1:<2000 | Tier 2: 2001- | Tier 3: 10,001- | Total      |
| Indoor           | 70%          | 39%           | 19%             | 26%        |
| Greenhouse       | 1%           | 0%            | 2%              | 1%         |
| Outdoor          | 6%           | 17%           | 31%             | 26%        |
| Mix              | 23%          | 44%           | 48%             | 47%        |
| Aggregate        | 100%         | 100%          | 100%            | 100%       |

Current Status

Approved

| Count of Canopy<br>Row Labels | Column Labels |            |                    |              |
|-------------------------------|---------------|------------|--------------------|--------------|
|                               | Processor     | Producer   | Producer/Processor | Grand Total  |
| Indoor                        | 10            | 77         | 385                | 472          |
| Indoor/Outdoor                | 1             | 45         | 155                | 201          |
| Greenhouse                    |               | 1          | 10                 | 11           |
| Outdoor                       |               | 63         | 122                | 185          |
| Indoor/Greenhouse             |               | 2          | 24                 | 26           |
| Indoor/Outdoor/Greenhouse     |               | 4          | 41                 | 45           |
| Outdoor/Greenhouse            | 1             | 24         | 41                 | 66           |
| NA                            | 154           | 18         | 110                | 282          |
| <b>Grand Total</b>            | <b>166</b>    | <b>234</b> | <b>888</b>         | <b>1,288</b> |

[https://www.energycodes.gov/sites/default/files/documents/BECP\\_FR\\_com\\_notice\\_90.1-1999\\_July2005\\_v00.pdf](https://www.energycodes.gov/sites/default/files/documents/BECP_FR_com_notice_90.1-1999_July2005_v00.pdf)

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Table 1. Estimated energy use intensity by building type - 1989 edition

| Building Type | Building Type<br>Floor Area Weight | Whole Building Energy Use Intensity<br>(kBtu/sf-yr or \$/sf-yr) |       |          |            |      |
|---------------|------------------------------------|-----------------------------------------------------------------|-------|----------|------------|------|
|               |                                    | Electric                                                        | Gas   | Site EUI | Source EUI | \$UI |
| Assembly      | 0.068                              | 61.55                                                           | 32.18 | 93.73    | 231.78     | 1.48 |
| Education     | 0.218                              | 35.65                                                           | 18.86 | 54.50    | 134.47     | 0.87 |
| Food          | 0.027                              | 101.60                                                          | 35.52 | 137.12   | 363.04     | 2.32 |
| Lodging       | 0.079                              | 42.80                                                           | 17.61 | 60.41    | 155.88     | 1.00 |
| Office        | 0.190                              | 49.85                                                           | 5.61  | 55.45    | 165.00     | 1.09 |
| Retail        | 0.246                              | 57.14                                                           | 3.95  | 61.09    | 186.39     | 1.23 |
| Warehouse     | 0.173                              | 10.43                                                           | 8.19  | 18.62    | 42.32      | 0.27 |
| National      |                                    | 43.36                                                           | 12.09 | 55.44    | 151.52     | 0.99 |

Table 2. Estimated Energy Use Intensity by Building Type - 1999 edition

| Building Type | Building Type<br>Floor Area<br>Weight | Whole Building Energy Use Intensity<br>(kBtu/sf-yr or \$/sf-yr) |       |          |            |      |
|---------------|---------------------------------------|-----------------------------------------------------------------|-------|----------|------------|------|
|               |                                       | Electric                                                        | Gas   | Site EUI | Source EUI | \$UI |
| Assembly      | 0.068                                 | 55.71                                                           | 33.88 | 89.59    | 215.04     | 1.37 |
| Education     | 0.218                                 | 31.59                                                           | 20.05 | 51.64    | 122.88     | 0.79 |
| Food          | 0.027                                 | 102.78                                                          | 34.91 | 137.69   | 366.12     | 2.35 |
| Lodging       | 0.079                                 | 41.04                                                           | 15.94 | 56.98    | 148.41     | 0.95 |
| Office        | 0.190                                 | 44.56                                                           | 6.32  | 50.88    | 148.95     | 0.98 |
| Retail        | 0.246                                 | 48.14                                                           | 5.17  | 53.31    | 159.08     | 1.05 |
| Warehouse     | 0.173                                 | 17.91                                                           | 9.11  | 27.02    | 67.15      | 0.43 |
| National      |                                       | 40.04                                                           | 12.91 | 52.95    | 141.88     | 0.92 |

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cont'd

## Section E: What Does CEQA Actually Require?

The following 7 pages highlight different areas of the CEQA requirements and places emphasis in red, (bold print is added for additional) emphasis the portions of the text which are most relative to the NCCO project.

The following excerpts are from **Title 14. California Code of Regulations, Chapter 3:** Guidelines for Implementation of the California Environmental Quality Acts (CEQA). The full text of these articles can be found in the Appendix of this document.

**15140. Writing:** EIRs shall be written in plain language and may use appropriate graphics so that decision-makers and the public can rapidly understand the documents.

**Discussion:** This section is intended to improve the clarity of EIRs. The section is also necessary to provide an interpretation resolving the question of who is the appropriate audience for the EIR.

**15141. Page Limits:** The text of draft EIRs should normally be less than 150 pages and for proposals of unusual scope or complexity should normally be less than 300 pages.

**Discussion:** The recommended page limits encourage agencies to reduce unneeded bulk in EIRs and to help the documents disclose the key environmental issues to the decision-makers and the public.

**15143. Emphasis:** The EIR shall focus on the significant effects on the environment. The significant effects should be discussed with emphasis in proportion to their severity and probability of occurrence. Effects dismissed in an Initial Study as clearly insignificant and unlikely to occur need not be

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discussed further in the EIR unless the Lead Agency subsequently receives information inconsistent with the finding in the Initial Study

**Discussion:** This section provides an interpretation that the Initial Study can be used to show which effects were examined and found to be insignificant and, therefore, not worthy of further discussion.

**15144. Forecasting:** Drafting an EIR or preparing a Negative Declaration necessarily involves some degree of forecasting. While foreseeing the unforeseeable is not possible, an agency must use its best efforts to find out and disclose all that it reasonably can.

**Discussion:** This section limits the requirement for forecasting to that which could be reasonably expected under the circumstances and is part of the effort to provide a general "rule of reason" for EIR contents. In regard to forecasting, the *Laurel Heights* Court commented that an agency is required to forecast only to the extent that an activity could be reasonably expected under the circumstances. An agency cannot be expected to predict the future course of governmental regulation or exactly what information scientific advances may ultimately reveal. *Laurel Heights Improvement Association v. Regents of the University of California* (1988) 47 Cal.. 3d 376.

**15145. Speculation:** If, after thorough investigation, a Lead Agency finds that a particular impact is too speculative for evaluation, the agency should note its conclusion and terminate discussion of the impact.

**Discussion:** This section deals with a difficulty in forecasting where a thorough investigation is unable to resolve an issue and the answer remains purely speculative. This section is necessary to relieve the Lead Agency from a requirement to engage in idle speculation. Once an agency finds that a particular effect is too speculative for evaluation, discussion of that effect should be terminated. This section provides authority to do so. In *Laurel Heights Improvement Association v. Regents of the University of California* (1988) 47 Cal. 3d 376, the court noted that where future development is unspecified and uncertain, no purpose can be served by requiring an EIR to engage in sheer speculation as to future environmental consequences.

**15146. Degree of Specificity:** The degree of specificity required in an EIR will correspond to the degree of specificity involved in the underlying activity which is described in the EIR.

(a) An EIR on a construction project will necessarily be more detailed in the specific effects of the project than will be an EIR on the adoption of a local general plan or comprehensive zoning ordinance because the effects of the construction can be predicted with greater accuracy.

(b) An EIR on a project such as the adoption or amendment of a comprehensive zoning ordinance or a local general plan should focus on the secondary effects that can be expected to follow from the adoption or amendment, but the EIR need not be as detailed as an EIR on the specific construction projects that might follow.

**Discussion:** This section is necessary to deal with the wide range of activities which are subject to the CEQA process. Some activities such as the adoption of local general plans may deal with issues on a level of broad generalities. At the other end of the scale, CEQA also applies to conditional use permits for specific development projects. While CEQA requirements cannot be avoided by chopping the proposed project into pieces to render its impacts insignificant the EIR need not engage in a speculative analysis of environmental consequences for future and unspecified development. (*Atherton v. Board of Supervisors of Orange County*, (1983) 146 Cal. 3d 346.)

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cont'd

As with the range of alternatives, the level of analysis provided in an EIR is subject to the rule of reason. The level of specificity for a given EIR depends upon the type of project. The analysis must be specific enough to permit informed decision making and public participation. The need for thorough discussion and analysis is not to be construed unreasonably, however, to serve as an easy way of defeating projects. What is required is the production of information sufficient to understand the environmental impacts of the proposed project and to permit a reasonable choice of alternatives so far as environmental aspects are concerned. See *Laurel Heights Improvement Association v. Regents of the University of California* (1988) 47 Cal. 3d 376. In *Antioch v. Pittsburg* (1986) 187 Cal. App. 3d 1325, the court held that EIR requirements must be sufficiently flexible to encompass vastly differing projects with varying levels of specificity. When the alternatives have been set forth in this manner, an EIR does not become vulnerable because it fails to consider in detail each and every conceivable variation of the alternatives stated.

**15147. Technical Detail:** The information contained in an EIR shall include summarized technical data, maps, plot plans, diagrams, and similar relevant information sufficient to permit full assessment of significant environmental impacts by reviewing agencies and members of the public. Placement of highly technical and specialized analysis and data in the body of an EIR should be avoided through inclusion of supporting information and analyses as appendices to the main body of the EIR.

**Discussion:** This section is designed to achieve a balance between the technical accuracy of the EIR and the public information function of the document. Accuracy can be maintained by moving the technical details into appendices and summarizing the technical information in the body of the EIR itself.

#### **15150. Incorporation by Reference:**

(a) An EIR or Negative Declaration may incorporate by reference all or portions of another document which is a matter of public record or is generally available to the public. Where all or part of another document is incorporated by reference, the incorporated language shall be considered to be set forth in full as part of the text of the EIR or Negative Declaration.

(b) Where part of another document is incorporated by reference, such other document shall be made available to the public for inspection at a public place or public building. The EIR or Negative Declaration shall state where the incorporated documents will be available for inspection.

(c) Where an EIR or Negative Declaration uses incorporation by reference, the incorporated part of the referenced document shall be briefly summarized where possible or briefly described if the data or information cannot be summarized. The relationship between the incorporated part of the referenced document and the EIR shall be described.

**Discussion:** Incorporation by reference is a necessary device for reducing the size of EIRs.

**15151. Standards for Adequacy of an EIR:** An EIR should be prepared with a sufficient degree of analysis to provide decision-makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in the light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure.

**Discussion:** This section is a codification of case law dealing with the standards for adequacy of an EIR.

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cont'd

In *Concerned Citizens of Costa Mesa, Inc. v. 32nd District Agricultural Assoc.* (1986) 42 Cal. 3d 929, the court held that "the EIR must contain facts and analysis, not just the agency's bare conclusions or opinions." In *Browning-Ferris Industries of California, Inc. v. San Jose* (1986) 181 Cal. App. 3d 852, the court reasserted that an EIR is a disclosure document and as such an agency may choose among differing expert opinions when those arguments are correctly identified in a responsive manner. Further, the state Supreme Court in its 1988 *Laurel Heights* decision held that the purpose of CEQA is to compel government at all levels to make decisions with environmental consequences in mind. CEQA does not, indeed cannot, guarantee that these decisions will always be those which favor environmental considerations, nor does it require absolute perfection in an EIR.

#### 15152. Tiering:

(a) "Tiering" refers to using the analysis of general matters contained in a broader EIR (such as one prepared for a general plan or policy statement) with later EIRs and negative declarations on narrower projects; incorporating by reference the general discussions from the broader EIR; and concentrating the later EIR or negative declaration solely on the issues specific to the later project.

(b) Agencies are encouraged to tier the environmental analyses which they prepare for separate but related projects including general plans, zoning changes, and development projects. This approach can eliminate repetitive discussions of the same issues and focus the later EIR or negative declaration on the actual issues ripe for decision at each level of environmental review. Tiering is appropriate when the sequence of analysis is from an EIR prepared for a general plan, policy, or program to an EIR or negative declaration for another plan, policy, or program of lesser scope, or to a site-specific EIR or negative declaration. Tiering does not excuse the lead agency from adequately analyzing reasonably foreseeable significant environmental effects of the project and does not justify deferring such analysis to a later tier EIR or negative declaration. However, the level of detail contained in a first tier EIR need not be greater than that of the program, plan, policy, or ordinance being analyzed.

(c) Where a lead agency is using the tiering process in connection with an EIR for a large-scale planning approval, such as a general plan or component thereof (e.g., an area plan or community plan), the development of detailed, site-specific information may not be feasible but can be deferred, in many instances, until such time as the lead agency prepares a future environmental document in connection with a project of a more limited geographical scale, as long as deferral does not prevent adequate identification of significant effects of the planning approval at hand.

(d) Where an EIR has been prepared and certified for a program, plan, policy, or ordinance consistent with the requirements of this section, any lead agency for a later project pursuant to or consistent with the program, plan, policy, or ordinance should limit the EIR or negative declaration on the later project to effects which:

(1) Were not examined as significant effects on the environment in the prior EIR; or

(2) Are susceptible to substantial reduction or avoidance by the choice of specific revisions in the project, by the imposition of conditions, or other means.

(e) Tiering under this section shall be limited to situations where the project is consistent with the general plan and zoning of the city or county in which the project is located, except that a project requiring a rezone to achieve or maintain conformity with a general plan may be subject to tiering.

(f) A later EIR shall be required when the initial study or other analysis finds that the later project may cause significant effects on the environment that were not adequately addressed in the prior EIR. A negative declaration shall be required when the provisions of Section 15070 are met.

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(1) Where a lead agency determines that a cumulative effect has been adequately addressed in the prior EIR, that effect is not treated as significant for purposes of the later EIR or negative declaration, and need not be discussed in detail.

(2) When assessing whether there is a new significant cumulative effect, the lead agency shall consider whether the incremental effects of the project would be considerable when viewed in the context of past, present, and probable future projects. At this point, the question is not whether there is a significant cumulative impact, but whether the effects of the project are cumulatively considerable. For a discussion on how to assess whether project impacts are cumulatively considerable, see Section 15064(i).

(3) Significant environmental effects have been "adequately addressed" if the lead agency determines that:

(A) they have been mitigated or avoided as a result of the prior environmental impact report and findings adopted in connection with that prior environmental report; or

(B) they have been examined at a sufficient level of detail in the prior environmental impact report to enable those effects to be mitigated or avoided by site specific revisions, the imposition of conditions, or by other means in connection with the approval of the later project.

(g) When tiering is used, the later EIRs or negative declarations shall refer to the prior EIR and state where a copy of the prior EIR may be examined. The later EIR or negative declaration should state that the lead agency is using the tiering concept and that it is being tiered with the earlier EIR.

(h) There are various types of EIRs that may be used in a tiering situation. These include, but are not limited to, the following:

**Discussion:** The tiering concept authorized in this section is designed to promote efficiency in the process and to improve the compatibility of the CEQA process with the NEPA process. This section recognizes that the approval of many projects will move through a series of separate public agency decisions, going from approval of a general plan, to approval of an intermediate plan or zoning, and finally to approval of a specific development proposal. Each of these approvals is subject to the CEQA process. Often, the EIR prepared for a particular approval re-examines all the environmental issues analyzed in the EIRs prepared for the earlier approvals. This approach involves unnecessary expense when a particular issue has been fully analyzed before. Tiering is an effort to focus environmental review on the environmental issues which are relevant to the approval being considered. At the same time, tiering requires the lead agency to analyze reasonably foreseeable significant effects and does not allow deferral of such analysis to a later tier document.

This section expands the guidance on use of tiering. This section follows the general approach taken in Public Resources Code Section 21083.3. That section authorizes tiering of EIRs for projects which were consistent with an adopted community plan for which an EIR was prepared. This section extends the tiering concept to all programs, plans, or policies for which an EIR was prepared. This section improves efficiency by encouraging the Lead Agency to limit the EIR or the Negative Declaration on a later project, which is pursuant to or consistent with the program, plan, or policy, to examining the significant effects which were not examined as significant effects in the prior EIR or are susceptible to substantial reduction or avoidance by specific revisions in the project. The section allows use of tiering even where the action on the prior project and EIR did not include mitigation for every significant effect.

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**This approach recognizes that not all effects can be mitigated at each step of the process. There will be some effects for which mitigation will not be feasible at an early step of approving a particular development project, and the section would allow a Lead Agency to defer mitigation of that kind of effect to a later step.** Such effects may include site specific effects such as aesthetics or parking, depending on the circumstances. At the same time, this section makes clear that tiering does not excuse the Lead Agency from analyzing reasonably foreseeable significant effects, or justify deferring analysis to a later tier EIR or Negative Declaration.

**Where tiering is used, the Lead Agency will need to determine whether, in the light of changing circumstances, the EIR prepared earlier in the process would still provide an adequate description of the broad effects considered at that stage. Tiering enables an agency to rely upon the analysis contained in a previous document when it adequately addresses a later project.** Subdivision (e) describes what is meant by adequately addressed in such a way as to ensure that prior mitigation measures will be applied to the later project. To make the process understandable, any EIR or Negative Declaration using the tiering principle must refer to the prior EIR, state where a copy of that document may be examined, and state that tiering is being used.

#### **15153. Use of an EIR from an Earlier Project**

**(a) The Lead Agency may employ a single EIR to describe more than one project, if such projects are essentially the same in terms of environmental impact. Further, the Lead Agency may use an earlier EIR prepared in connection with an earlier project to apply to a later project, if the circumstances of the projects are essentially the same.**

**(b) When a Lead Agency proposes to use an EIR from an earlier project as the EIR for a separate, later project, the Lead Agency shall use the following procedures:**

**(1) The Lead Agency shall review the proposed project with an Initial Study, using incorporation by reference if necessary, to determine whether the EIR would adequately describe:**

**(A) The general environmental setting of the project,**

**(B) The significant environmental impacts of the project, and**

**(C) Alternatives and mitigation measures related to each significant effect.**

**(2) If the Lead Agency believes that the EIR would meet the requirements of subdivision (1), it shall provide public review as provided in Section 15087 stating that it plans to use the previously prepared EIR as the draft EIR for this project. The notice shall include as a minimum:**

**(A) An identification of the project with a brief description;**

**(B) A statement that the agency plans to use a certain EIR prepared for a previous project as the EIR for this project;**

**(C) A listing of places where copies of the EIR may be examined; and**

**(D) A statement that the key issues involving the EIR are whether the EIR should be used for this project and whether there are any additional, reasonable alternatives or mitigation**

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measures that should be considered as ways of avoiding or reducing the significant effects of the project.

(3) The Lead Agency shall prepare responses to comments received during the review period.

(4) Before approving the project, the decision-maker in the Lead Agency shall:

(A) Consider the information in the EIR including comments received during the review period and responses to those comments,

(B) Decide either on its own or on a staff recommendation whether the EIR is adequate for the project at hand, and

(C) Make or require certification to be made as described in Section 15090.

(D) Make findings as provided in Sections 15091 and 15093 as necessary.

(5) After making a decision on the project, the Lead Agency shall file a Notice of Determination.

(c) An EIR prepared for an earlier project may also be used as part of an Initial Study to document a finding that a later project will not have a significant effect. In this situation a Negative Declaration will be prepared.

(d) An EIR prepared for an earlier project shall not be used as the EIR for a later project if any of the conditions described in Section 15162 would require preparation of a subsequent or supplemental EIR.

**Discussion:** The purpose of this section is to grant Lead Agencies clear authority to use an EIR prepared for one project over again for a second project which has essentially the same impacts as the project for which the EIR was originally prepared. The section places necessary conditions on the use of a prior EIR to avoid abuse of this approach. Where two projects are essentially the same in terms of environmental impact, there is little reason to require preparation of a separate EIR for the second project.

Subsection (b) prescribes the procedures for an agency to use in implementing this authority. Use of a Negative Declaration is not appropriate. Although a Negative Declaration does state that an EIR will not be prepared, the reason for preparing a Negative Declaration is that the project will not have a significant effect. An EIR is needed if the project may have a significant effect although under some circumstances a previously prepared EIR may be used as the basis for review. The procedures prescribed in subsection (b) should reduce the confusion that has often been experienced in this situation.

This section is different from tiering in that this process does not involve a series of approvals moving from the general to the specific with EIRs omitting issues fully addressed at the earlier stages. The use of a previously prepared EIR is most appropriate where an EIR was prepared earlier for a project very similar to the one currently being examined by the Lead Agency.

The following is a short overview from the Los Angeles County Flood Control District comparing a Program Level EIR to a Project Level EIR.

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### Why is the District Preparing a Program EIR?

- The Los Angeles County Flood Control District is preparing a Program EIR to evaluate the proposed EWMPs that are being developed to improve water quality in Los Angeles County.
- The Program EIR is an **Advanced Planning Document** describing details of the EWMPs being launched to comply with the new MS4 Stormwater Permit.
- It differs from a "Project EIR" in that **No Specific Projects will be approved by this Program EIR.**
- It will describe future development goals and policies without assessing any individual projects.
- Advance Planning improves public awareness and government transparency and provides for a higher level assessment of policy decisions prior to the consideration of individual projects.

### What is the Role of the Flood Control District and Other Permittees?

- The Flood Control District is the Lead Agency preparing the Program EIR, evaluating each of the EWMPs within the County. This County-wide approach provides for a comprehensive view that will result in hundreds of water quality projects installed by multiple entities over a diverse geographic area.
- Each Permittee may choose to adopt the Program EIR at its own discretion and is responsible for implementation of individual projects.

### What is a Program EIR?

A Program EIR is a type of Environmental Impact Report (EIR) allowed under the California Environmental Quality Act (CEQA) that is used to evaluate a plan or program that has multiple components or actions that are related either geographically, through application of rules or regulations, or as logical parts of a long-term plan.

### What is CEQA?

The California Environmental Quality Act (CEQA) is a California law enacted in 1969 that requires public agencies in the state to evaluate environmental impacts of proposed projects. The act includes a public review period allowing the public and interested agencies time to comment on the project and potential impacts.

### What does the Program EIR Cover?

- **The Program EIR describes and assesses policy-level commitments required to implement the EWMP.**

### What Does this Program EIR Accomplish?

This Program EIR assesses environmental effects of implementing Enhanced Watershed Management Programs (EWMPs) throughout the County to achieve compliance with the MS4 Permit.

- **It is a disclosure process that identifies potential impacts to the environment.**
- **It informs the public and decision makers about the potential impacts.**

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- It identifies ways to avoid or reduce potential impacts.

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## Section 3 – CEQA (Full Text)

<http://resources.ca.gov/ceqa/guidelines/art10.html>

# CEQA

The California Environmental Quality Act

### *Title 14. California Code of Regulations*

#### Chapter 3. Guidelines for Implementation of the

#### California Environmental Quality Act

## Article 10. Considerations in Preparing EIRs and Negative Declarations

### Sections 15140 to 15154

#### 15140. Writing

EIRs shall be written in plain language and may use appropriate graphics so that decision-makers and the public can rapidly understand the documents.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21003 and 21100, Public Resources Code.

**Discussion:** This section is intended to improve the clarity of EIRs. The section is also necessary to provide an interpretation resolving the question of who is the appropriate audience for the EIR.

#### 15141. Page Limits

The text of draft EIRs should normally be less than 150 pages and for proposals of unusual scope or complexity should normally be less than 300 pages.

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**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Section 21100, Public Resources Code.

**Discussion:** The recommended page limits encourage agencies to reduce unneeded bulk in EIRs and to help the documents disclose the key environmental issues to the decision-makers and the public. Further, the page limits match the page limits under the federal system. Adopting the same limits as used in the federal system improves compatibility of the two systems.

#### 15142. Interdisciplinary Approach

An EIR shall be prepared using an interdisciplinary approach which will ensure the integrated use of the natural and social sciences and the consideration of qualitative as well as quantitative factors. The interdisciplinary analysis shall be conducted by competent individuals, but no single discipline shall be designated or required to undertake this evaluation.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference Sections 21000, 21001, and 21100, Public Resources Code.

**Discussion:** This section is necessary to show that an EIR must use many disciplines in order to find the interrelationships among the various factors in the environmental effects. The requirement for an interdisciplinary is also part of NEPA. Accordingly, this requirement comes from the legislative history of CEQA. This section also makes the essential point that an EIR must consider qualitative factors as well as quantitative, economic, and technical factors.

#### 15143. Emphasis

The EIR shall focus on the significant effects on the environment. The significant effects should be discussed with emphasis in proportion to their severity and probability of occurrence. Effects dismissed in an Initial Study as clearly insignificant and unlikely to occur need not be discussed further in the EIR unless the Lead Agency subsequently receives information inconsistent with the finding in the Initial Study. A copy of the Initial Study may be attached to the EIR to provide the basis for limiting the impacts discussed.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21003, 21061, and 21100, Public Resources Code.

**Discussion:** This section provides an interpretation that the Initial Study can be used to show which effects were examined and found to be insignificant and, therefore, not worthy of further discussion.

#### 15144. Forecasting

Drafting an EIR or preparing a Negative Declaration necessarily involves some degree of forecasting. While foreseeing the unforeseeable is not possible, an agency must use its best efforts to find out and disclose all that it reasonably can.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21003, 21061, and 21100, Public Resources Code.

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**Discussion:** This section limits the requirement for forecasting to that which could be reasonably expected under the circumstances and is part of the effort to provide a general "rule of reason" for EIR contents.

In regard to forecasting, the *Laurel Heights* Court commented that an agency is required to forecast only to the extent that an activity could be reasonably expected under the circumstances. An agency cannot be expected to predict the future course of governmental regulation or exactly what information scientific advances may ultimately reveal. *Laurel Heights Improvement Association v. Regents of the University of California* (1988) 47 Cal.. 3d 376.

### 15145. Speculation

If, after thorough investigation, a Lead Agency finds that a particular impact is too speculative for evaluation, the agency should note its conclusion and terminate discussion of the impact.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21003, 21061, and 21100, Public Resources Code; *Topanga Beach Renters Association v. Department of General Services*, (1976) 58 Cal. App. 3d 712.

**Discussion:** This section deals with a difficulty in forecasting where a thorough investigation is unable to resolve an issue and the answer remains purely speculative. This section is necessary to relieve the Lead Agency from a requirement to engage in idle speculation. Once an agency finds that a particular effect is too speculative for evaluation, discussion of that effect should be terminated. This section provides authority to do so.

In *Laurel Heights Improvement Association v. Regents of the University of California* (1988) 47 Cal. 3d 376, the court noted that where future development is unspecified and uncertain, no purpose can be served by requiring an EIR to engage in sheer speculation as to future environmental consequences.

### 15146. Degree of Specificity

The degree of specificity required in an EIR will correspond to the degree of specificity involved in the underlying activity which is described in the EIR.

(a) An EIR on a construction project will necessarily be more detailed in the specific effects of the project than will be an EIR on the adoption of a local general plan or comprehensive zoning ordinance because the effects of the construction can be predicted with greater accuracy.

(b) An EIR on a project such as the adoption or amendment of a comprehensive zoning ordinance or a local general plan should focus on the secondary effects that can be expected to follow from the adoption or amendment, but the EIR need not be as detailed as an EIR on the specific construction projects that might follow.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21003, 21061, and 21100, Public Resources Code. Formerly Section 15147.

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**Discussion:** This section is necessary to deal with the wide range of activities which are subject to the CEQA process. Some activities such as the adoption of local general plans may deal with issues on a level of broad generalities. At the other end of the scale, CEQA also applies to conditional use permits for specific development projects. While CEQA requirements cannot be avoided by chopping the proposed project into pieces to render its impacts insignificant the EIR need not engage in a speculative analysis of environmental consequences for future and unspecified development. (*Atherton v. Board of Supervisors of Orange County*, (1983) 146 Cal. 3d 346.)

As with the range of alternatives, the level of analysis provided in an EIR is subject to the rule of reason. The level of specificity for a given EIR depends upon the type of project. The analysis must be specific enough to permit informed decision making and public participation. The need for thorough discussion and analysis is not to be construed unreasonably, however, to serve as an easy way of defeating projects. What is required is the production of information sufficient to understand the environmental impacts of the proposed project and to permit a reasonable choice of alternatives so far as environmental aspects are concerned. See *Laurel Heights Improvement Association v. Regents of the University of California* (1988) 47 Cal. 3d 376. In *Antioch v. Pittsburg* (1986) 187 Cal. App. 3d 1325, the court held that EIR requirements must be sufficiently flexible to encompass vastly differing projects with varying levels of specificity. When the alternatives have been set forth in this manner, an EIR does not become vulnerable because it fails to consider in detail each and every conceivable variation of the alternatives stated.

#### 15147. Technical Detail

The information contained in an EIR shall include summarized technical data, maps, plot plans, diagrams, and similar relevant information sufficient to permit full assessment of significant environmental impacts by reviewing agencies and members of the public. Placement of highly technical and specialized analysis and data in the body of an EIR should be avoided through inclusion of supporting information and analyses as appendices to the main body of the EIR. Appendices to the EIR may be prepared in volumes separate from the basic EIR document, but shall be readily available for public examination and shall be submitted to all clearinghouses which assist in public review.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21003, 21061, and 21100, Public Resources Code.

**Discussion:** This section is designed to achieve a balance between the technical accuracy of the EIR and the public information function of the document. Accuracy can be maintained by moving the technical details into appendices and summarizing the technical information in the body of the EIR itself. This approach may help reduce the cost of the EIR. The Lead Agency may reproduce fewer copies of the appendices than of the basic EIR. This section follows the federal NEPA regulations which already encourage placement of technical details in appendices.

#### 15148. Citation

Preparation of EIRs is dependent upon information from many sources, including engineering project reports and many scientific documents relating to environmental features. These documents should be cited but not included in the EIR. The EIR shall cite all documents used in

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its preparation including, where possible, the page and section number of any technical reports which were used as the basis for any statements in the EIR.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21003, 21061, and 21100, Public Resources Code.

**Discussion:** This section recognizes source documents but discourages their inclusion in the EIR. Citations are required for accountability and to allow statements to be verifiable. This section is necessary to keep the size of the EIRs down to manageable levels and at the same time maintain the accuracy of the information in the document.

#### **15149. Use of Registered Professionals in Preparing EIRs**

(a) A number of statutes provide that certain professional services can be provided to the public only by individuals who have been registered by a registration board established under California law. Such statutory restrictions apply to a number of professions including but not limited to engineering, land surveying, forestry, geology, and geophysics.

(b) In its intended usage, an EIR is not a technical document that can be prepared only by a registered professional. The EIR serves as a public disclosure document explaining the effects of the proposed project on the environment, alternatives to the project, and ways to minimize adverse effects and to increase beneficial effects. As a result of information in the EIR, the Lead Agency should establish requirements or conditions on project design, construction, or operation in order to protect or enhance the environment. State statutes may provide that only registered professionals can prepare technical studies which will be used in or which will control the detailed design, construction, or operation of the proposed project and which will be prepared in support of an EIR.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21003, 21061, and 21100, Public Resources Code.

**Discussion:** This section is necessary for declaring that an EIR is not the kind of technical document which can be prepared only by a person registered under a professional registration law in California. The section recognizes that some technical background documents may be legally prepared only by registered professionals.

#### **15150. Incorporation by Reference**

(a) An EIR or Negative Declaration may incorporate by reference all or portions of another document which is a matter of public record or is generally available to the public. Where all or part of another document is incorporated by reference, the incorporated language shall be considered to be set forth in full as part of the text of the EIR or Negative Declaration.

(b) Where part of another document is incorporated by reference, such other document shall be made available to the public for inspection at a public place or public building. The EIR or Negative Declaration shall state where the incorporated documents will be available for inspection. At a minimum, the incorporated document shall be made available to the public in an office of the Lead Agency in the county where the project would be carried out or in one or more

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public buildings such as county offices or public libraries if the Lead Agency does not have an office in the county.

(c) Where an EIR or Negative Declaration uses incorporation by reference, the incorporated part of the referenced document shall be briefly summarized where possible or briefly described if the data or information cannot be summarized. The relationship between the incorporated part of the referenced document and the EIR shall be described.

(d) Where an agency incorporates information from an EIR that has previously been reviewed through the state review system, the state identification number of the incorporated document should be included in the summary or designation described in subdivision (c).

(e) Examples of materials that may be incorporated by reference include but are not limited to:

(1) A description of the environmental setting from another EIR.

(2) A description of the air pollution problems prepared by an air pollution control agency concerning a process involved in the project.

(3) A description of the city or county general plan that applies to the location of the project.

(f) Incorporation by reference is most appropriate for including long, descriptive, or technical materials that provide general background but do not contribute directly to the analysis of the problem at hand.

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**Note:** Authority cited: Section 21083, Public Resources Code; Reference Sections 21003, 21061, and 21100, Public Resources Code.

**Discussion:** Incorporation by reference is a necessary device for reducing the size of EIRs. This section authorizes use of incorporation by reference and provides guidance for using it in a manner consistent with the public involvement and full disclosure functions of CEQA.

### 15151. Standards for Adequacy of an EIR

An EIR should be prepared with a sufficient degree of analysis to provide decision-makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in the light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21061 and 21100, Public Resources Code; *San Francisco Ecology Center v. City and County of San Francisco*, (1975) 48 Cal. App. 3d 584.

**Discussion:** This section is a codification of case law dealing with the standards for adequacy of an EIR.

In *Concerned Citizens of Costa Mesa, Inc. v. 32nd District Agricultural Assoc.* (1986) 42 Cal. 3d 929, the court held that "the EIR must contain facts and analysis, not just the agency's bare conclusions or opinions." In *Browning-Ferris Industries of California, Inc. v. San Jose* (1986) 181 Cal. App. 3d 852, the court reasserted that an EIR is a disclosure document and as such an agency may choose among differing expert opinions when those arguments are correctly identified in a responsive manner. Further, the state Supreme Court in its 1988 *Laurel Heights* decision held that the purpose of CEQA is to compel government at all levels to make decisions with environmental consequences in mind. CEQA does not, indeed cannot, guarantee that these decisions will always be those which favor environmental considerations, nor does it require absolute perfection in an EIR.

## 15152. Tiering

(a) "Tiering" refers to using the analysis of general matters contained in a broader EIR (such as one prepared for a general plan or policy statement) with later EIRs and negative declarations on narrower projects; incorporating by reference the general discussions from the broader EIR; and concentrating the later EIR or negative declaration solely on the issues specific to the later project.

-(b) Agencies are encouraged to tier the environmental analyses which they prepare for separate but related projects including general plans, zoning changes, and development projects. This approach can eliminate repetitive discussions of the same issues and focus the later EIR or negative declaration on the actual issues ripe for decision at each level of environmental review. Tiering is appropriate when the sequence of analysis is from an EIR prepared for a general plan, policy, or program to an EIR or negative declaration for another plan, policy, or program of lesser scope, or to a site-specific EIR or negative declaration. Tiering does not excuse the lead agency from adequately analyzing reasonably foreseeable significant environmental effects of the project and does not justify deferring such analysis to a later tier EIR or negative declaration. However, the level of detail contained in a first tier EIR need not be greater than that of the program, plan, policy, or ordinance being analyzed.

-(c) Where a lead agency is using the tiering process in connection with an EIR for a large-scale planning approval, such as a general plan or component thereof (e.g., an area plan or community plan), the development of detailed, site-specific information may not be feasible but can be deferred, in many instances, until such time as the lead agency prepares a future environmental document in connection with a project of a more limited geographical scale, as long as deferral does not prevent adequate identification of significant effects of the planning approval at hand.

(d) Where an EIR has been prepared and certified for a program, plan, policy, or ordinance consistent with the requirements of this section, any lead agency for a later project pursuant to or consistent with the program, plan, policy, or ordinance should limit the EIR or negative declaration on the later project to effects which:

- (1) Were not examined as significant effects on the environment in the prior EIR; or
- (2) Are susceptible to substantial reduction or avoidance by the choice of specific revisions in the project, by the imposition of conditions, or other means.

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(e) Tiering under this section shall be limited to situations where the project is consistent with the general plan and zoning of the city or county in which the project is located, except that a project requiring a rezone to achieve or maintain conformity with a general plan may be subject to tiering.

(f) A later EIR shall be required when the initial study or other analysis finds that the later project may cause significant effects on the environment that were not adequately addressed in the prior EIR. A negative declaration shall be required when the provisions of Section 15070 are met.

(1) Where a lead agency determines that a cumulative effect has been adequately addressed in the prior EIR, that effect is not treated as significant for purposes of the later EIR or negative declaration, and need not be discussed in detail.

(2) When assessing whether there is a new significant cumulative effect, the lead agency shall consider whether the incremental effects of the project would be considerable when viewed in the context of past, present, and probable future projects. At this point, the question is not whether there is a significant cumulative impact, but whether the effects of the project are cumulatively considerable. For a discussion on how to assess whether project impacts are cumulatively considerable, see Section 15064(i).

(3) Significant environmental effects have been "adequately addressed" if the lead agency determines that:

(A) they have been mitigated or avoided as a result of the prior environmental impact report and findings adopted in connection with that prior environmental report; or

(B) they have been examined at a sufficient level of detail in the prior environmental impact report to enable those effects to be mitigated or avoided by site specific revisions, the imposition of conditions, or by other means in connection with the approval of the later project.

(g) When tiering is used, the later EIRs or negative declarations shall refer to the prior EIR and state where a copy of the prior EIR may be examined. The later EIR or negative declaration should state that the lead agency is using the tiering concept and that it is being tiered with the earlier EIR.

(h) There are various types of EIRs that may be used in a tiering situation. These include, but are not limited to, the following:

(1) General plan EIR (Section 15166).

(2) Staged EIR (Section 15167).

(3) Program EIR (Section 15168).

(4) Master EIR (Section 15175).

(5) Multiple-family residential development / residential and commercial or retail mixed-use development (Section 15179.5).

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(6) Redevelopment project (Section 15180).

(7) Projects consistent with community plan, general plan, or zoning (Section 15183).

**Note:** Authority: Section 21083, Public Resources Code. Reference: Sections 21003, 21061, 21093, 21094, 21100, and 21151, Public Resources Code; *Stanislaus Natural Heritage Project, Sierra Club v. County of Stanislaus* (1996) 48 Cal.App.4th 182; *Al Larson Boat Shop, Inc. v. Board of Harbor Commissioners* (1993) 18 Cal.App. 4th 729; and *Sierra Club v. County of Sonoma* (1992) 6 Cal.App. 4th 1307.

**Discussion:** The tiering concept authorized in this section is designed to promote efficiency in the process and to improve the compatibility of the CEQA process with the NEPA process. This section recognizes that the approval of many projects will move through a series of separate public agency decisions, going from approval of a general plan, to approval of an intermediate plan or zoning, and finally to approval of a specific development proposal. Each of these approvals is subject to the CEQA process. Often, the EIR prepared for a particular approval re-examines all the environmental issues analyzed in the EIRs prepared for the earlier approvals. This approach involves unnecessary expense when a particular issue has been fully analyzed before. Tiering is an effort to focus environmental review on the environmental issues which are relevant to the approval being considered. At the same time, tiering requires the lead agency to analyze reasonably foreseeable significant effects and does not allow deferral of such analysis to a later tier document.

This section expands the guidance on use of tiering. This section follows the general approach taken in Public Resources Code Section 21083.3. That section authorizes tiering of EIRs for projects which were consistent with an adopted community plan for which an EIR was prepared. This section extends the tiering concept to all programs, plans, or policies for which an EIR was prepared. This section improves efficiency by encouraging the Lead Agency to limit the EIR or the Negative Declaration on a later project, which is pursuant to or consistent with the program, plan, or policy, to examining the significant effects which were not examined as significant effects in the prior EIR or are susceptible to substantial reduction or avoidance by specific revisions in the project. The section allows use of tiering even where the action on the prior project and EIR did not include mitigation for every significant effect.

This approach recognizes that not all effects can be mitigated at each step of the process. There will be some effects for which mitigation will not be feasible at an early step of approving a particular development project, and the section would allow a Lead Agency to defer mitigation of that kind of effect to a later step. Such effects may include site specific effects such as aesthetics or parking, depending on the circumstances. At the same time, this section makes clear that tiering does not excuse the Lead Agency from analyzing reasonably foreseeable significant effects, or justify deferring analysis to a later tier EIR or Negative Declaration.

Where tiering is used, the Lead Agency will need to determine whether, in the light of changing circumstances, the EIR prepared earlier in the process would still provide an adequate description of the broad effects considered at that stage. Tiering enables an agency to rely upon the analysis contained in a previous document when it adequately addresses a later project. Subdivision (e) describes what is meant by inadequately addressed in such a way as to ensure that prior mitigation measures will be applied to the later project.

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To make the process understandable, any EIR or Negative Declaration using the tiering principle must refer to the prior EIR, state where a copy of that document may be examined, and state that tiering is being used.

### **15153. Use of an EIR from an Earlier Project**

(a) The Lead Agency may employ a single EIR to describe more than one project, if such projects are essentially the same in terms of environmental impact. Further, the Lead Agency may use an earlier EIR prepared in connection with an earlier project to apply to a later project, if the circumstances of the projects are essentially the same.

(b) When a Lead Agency proposes to use an EIR from an earlier project as the EIR for a separate, later project, the Lead Agency shall use the following procedures:

(1) The Lead Agency shall review the proposed project with an Initial Study, using incorporation by reference if necessary, to determine whether the EIR would adequately describe:

(A) The general environmental setting of the project,

(B) The significant environmental impacts of the project, and

(C) Alternatives and mitigation measures related to each significant effect.

(2) If the Lead Agency believes that the EIR would meet the requirements of subdivision (1), it shall provide public review as provided in Section 15087 stating that it plans to use the previously prepared EIR as the draft EIR for this project. The notice shall include as a minimum:

(A) An identification of the project with a brief description;

(B) A statement that the agency plans to use a certain EIR prepared for a previous project as the EIR for this project;

(C) A listing of places where copies of the EIR may be examined; and

(D) A statement that the key issues involving the EIR are whether the EIR should be used for this project and whether there are any additional, reasonable alternatives or mitigation measures that should be considered as ways of avoiding or reducing the significant effects of the project.

(3) The Lead Agency shall prepare responses to comments received during the review period.

(4) Before approving the project, the decision-maker in the Lead Agency shall:

(A) Consider the information in the EIR including comments received during the review period and responses to those comments,

(B) Decide either on its own or on a staff recommendation whether the EIR is adequate for the project at hand, and

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(C) Make or require certification to be made as described in Section 15090.

(D) Make findings as provided in Sections 15091 and 15093 as necessary.

(5) After making a decision on the project, the Lead Agency shall file a Notice of Determination.

(c) An EIR prepared for an earlier project may also be used as part of an Initial Study to document a finding that a later project will not have a significant effect. In this situation a Negative Declaration will be prepared.

(d) An EIR prepared for an earlier project shall not be used as the EIR for a later project if any of the conditions described in Section 15162 would require preparation of a subsequent or supplemental EIR.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Sections 21100, 21151, and 21165, Public Resources Code.

**Discussion:** The purpose of this section is to grant Lead Agencies clear authority to use an EIR prepared for one project over again for a second project which has essentially the same impacts as the project for which the EIR was originally prepared. The section places necessary conditions on the use of a prior EIR to avoid abuse of this approach. Where two projects are essentially the same in terms of environmental impact, there is little reason to require preparation of a separate EIR for the second project.

Subsection (b) prescribes the procedures for an agency to use in implementing this authority. Use of a Negative Declaration is not appropriate. Although a Negative Declaration does state that an EIR will not be prepared, the reason for preparing a Negative Declaration is that the project will not have a significant effect. An EIR is needed if the project may have a significant effect although under some circumstances a previously prepared EIR may be used as the basis for review. The procedures prescribed in subsection (b) should reduce the confusion that has often been experienced in this situation.

This section is different from tiering in that this process does not involve a series of approvals moving from the general to the specific with EIRs omitting issues fully addressed at the earlier stages. The use of a previously prepared EIR is most appropriate where an EIR was prepared earlier for a project very similar to the one currently being examined by the Lead Agency.

#### **15154. Projects Near Airports**

(a) When a lead agency prepares an EIR for a project within the boundaries of a comprehensive airport land use plan or, if a comprehensive airport land use plan has not been adopted for a project within two nautical miles of a public airport or public use airport, the agency shall utilize the Airport Land Use Planning Handbook published by Caltrans' Division of Aeronautics to assist in the preparation of the EIR relative to potential airport-related safety hazards and noise problems.

(b) A lead agency shall not adopt a negative declaration or mitigated negative declaration for a project described in subdivision (a) unless the lead agency considers whether the project will

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result in a safety hazard or noise problem for persons using the airport or for persons residing or working in the project area.

**Note:** Authority cited: Section 21083, Public Resources Code; Reference: Section 21096, Public Resources Code.

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## It Says It's A "Project" EIR. You Say It Should Be A "Program" EIR. Does The Label Even Matter?

By **Abbott & Kindermann** on September 24, 2014  
POSTED IN **CEQA**

By **Glen Hansen**

In *Citizens for a Sustainable Treasure Island v. City and County of San Francisco* (2014) 227 Cal.App.4th 1036, the Court of Appeal for the First Appellate District held that the environmental impact report for the comprehensive plan to redevelop Treasure Island and Yerba Buena Island in the San Francisco Bay, which was labeled a "project EIR" (a) satisfied the substantial evidence standard of review as to all of the required elements of an EIR; (b) addressed the environmental impacts of the proposed project to a degree of specificity consistent with the underlying activity being approved; and (c) properly allows for supplemental review that may be necessary in the future.

Treasure Island is a man-made island consisting of about 404 acres of landfill placed on former tidelands and submerged lands in the middle of San Francisco Bay between San Francisco and Oakland, California. Yerba Buena Island is an adjacent, approximately 160-acre, natural rock outcropping. Treasure Island and the causeway that connects it to Yerba Buena Island were constructed in the late 1930's. During World War II, the United States Department of Defense converted the area into a naval station, which it operated until 1997. The existing conditions on the former naval station cite are characterized by aging infrastructure, environmental contamination from former naval operations, deteriorated and vacant buildings, and asphalt and other impervious surfaces which cover approximately 65 percent of the site. The City and County of San Francisco ("City") and the community have been formulating plans for the reuse of the former naval station since its closure.

In June 2011, after more than a decade of planning, study and community input, the City's board of supervisors unanimously approved a **comprehensive plan** to redevelop the former naval station and the adjacent Yerba Buena Island (the "Project"). The environmental impact report ("EIR") envisioned the Project as including a new, mixed-use community, including up to 8,000 residential units; up to 140,000 square feet of new commercial and retail space; up to 100,000 square feet of new office space; restoration and reuse of historic buildings on Treasure Island; about 500 hotel rooms; public utilities;

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300 acres of parks, playgrounds, and public open space; bike and transit facilities; a new ferry terminal and intermodal transit hub; and a rehabilitated public school building. Construction and buildout of the Project would be phased and anticipated to be completed over an approximately 15- to 20-year period.

Citizens for a Sustainable Treasure Island (“CSTI”) filed a writ of mandamus alleging that the City and real party in interest Treasure Island Development Authority (“TIDA”) failed to certify a legally adequate (“EIR”) for the Project, and therefore violated the California Environmental Quality Act (“CEQA”) (Pub. Resources Code, § 21000 *et seq.*). CSTI’s principal argument was that the EIR should have been prepared as a program EIR, not a project-level EIR, because there is insufficient detail about various aspects of the Project, including remediation of hazardous materials, building and street layout, historical resources and tidal trust resources, for “project-level” review. CSTI alleged other defects in the EIR. The trial court denied the petition for writ of mandate. The Court of Appeal for the First Appellate District affirmed.

CSTI’s primary argument on appeal was that the City prejudicially abused its discretion by preparing a project EIR instead of a program EIR. Under general CEQA principles, a “project EIR” is prepared for a construction-level project, and should focus primarily on the changes in the environment that would result from the development project and examine all phases of the project including planning, construction, and operation. In contrast, a “program EIR” evaluates the broad policy direction of a planning document, such as a general plan, but does not examine the potential site-specific impacts of the many individual projects that may be proposed in the future consistent with the plan. Program EIRs play a key role in a “tiered” CEQA analysis.

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In this case, the EIR stated it is a “project EIR” that analyzes all phases of the Project at maximum buildout. CSTI argued “at best, the EIR constitutes conceptual, program-level CEQA analysis” which functions as a first-tier document, and anticipates later environmental review on specific projects. CSTI claimed the most appropriate way to address the Project is by “tiered environmental review ... where, as here, the proposal being advanced is an overarching, conceptual plan or program, the project-level details of which will only become known as they are later formulated and presented in a series of later, project-level proposals intended to implement the conceptual plan or program.”

However, the Court of Appeal found that CSTI improperly focused on the EIR’s designation rather than its substance “[T]he ‘fact that this EIR is labeled a “project” rather than a “program” EIR matters little....’” The court explained:

“Designating an EIR as a program EIR ... does not by itself decrease the level of analysis otherwise required in the EIR. ‘All EIR’s must cover the same general content. The level of specificity of an EIR is determined by the nature of the project and the “rule of reason,” rather than any semantic label accorded to the EIR.’”

The court explained that the question is not whether a program EIR should have been prepared for the Project, but whether the EIR addressed the environmental impacts of the Project to a degree of specificity consistent with the underlying activity being

approved through the EIR. The court held that the EIR for the Project in this case contained all of the required elements of an EIR that are set forth in Article 9 of the CEQA Guidelines. (The court noted that those requirements are (i) a table of contents or index; (ii) a summary; (iii) a project description; (iv) a discussion of the environmental setting; (v) consideration and discussion of environmental impacts; (vi) consideration and discussion of significant environmental impacts; (vii) consideration and discussion of mitigation measures proposed to minimize significant effects; (viii) consideration and discussion of alternatives to the proposed project; (ix) a discussion of effects not found to be significant; (x) a list of organizations and persons consulted; (xi) a discussion of cumulative impacts; (xii) to a limited extent, a discussion of economic and social effects of the proposed project; and (xiii) revisions to the draft EIR, comments on the draft EIR, a list of commenters on the draft EIR, and the lead agency's responses to comments on the draft EIR.) The court explained that the level of detail in an EIR is driven by the nature of the project, not the label attached. It is the substance, rather than the form, of the environmental document which determines its nature and validity. The degree of specificity required in an EIR corresponds to the degree of specificity involved in the underlying activity that is described in the EIR. Here, the EIR provided sufficient project-level disclosure and analysis.

The court also held the same substantial evidence standard of review applies to subsequent environmental review for a project reviewed in a program EIR or a project EIR. CSTI was wrong in asserting that the "fair argument" standard automatically applies to subsequent discretionary actions in every case where a program EIR has been prepared. (The court did recognize that the fair argument test is required, however, when an agency attempts to tier its environmental review for a "materially different project onto a prior program EIR.")

Furthermore, the court emphasized that, in reviewing this EIR, it detected no attempt to avoid supplemental review. In fact, the EIR acknowledged the duty to perform supplemental review as the Project builds out over 15 to 20 years, and that duty exists regardless of whether the EIR was prepared as a project EIR, or as a program EIR.

Finally, the court rejected CSTI's additional CEQA challenges, and held that the project description was accurate and stable; that hazardous substance remediation was adequately discussed; that regulatory compliance as mitigation was appropriate; that adding a consultation requirement did not require recirculation; that the EIR contained specific criteria for historic preservation; and that the EIR addressed tidelands protection.

**Glen Hansen** is senior counsel at Abbott & Kindermann, LLP. For questions relating to this article or any other California land use, real estate, environmental and/or planning issues contact Abbott & Kindermann, LLP at (916) 456-9595.

*The information presented in this article should not be construed to be formal legal advice by Abbott & Kindermann, LLP, or the formation of a lawyer/client relationship. Because of the changing nature of this area of the law and the importance of individual facts, readers are encouraged to seek independent counsel for advice regarding their individual legal issues.*

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December 7, 2014

## Project EIR or Program EIR? “A Rose By Any Other Name . . .”

By Andrew Sabey  
Lay of the Land

You are entitling a large project to be built in phases which reflect market conditions, lending constraints, absorption rates, and your appetite for risk. The final phases of your project may not be built for ten or more years, when planning and marketing considerations may have changed. Your EIR cannot possibly evaluate every last detail of the overall project, but you want to get started with the initial phases NOW. So, you hear your CEQA consultants, your lawyers, and the agency’s staff anguishing over whether your EIR will be a “program” EIR or a “project” EIR. You’re hearing that what you *call* the EIR may be more important than what it says and that a wrong decision on the *label* may drop you into the black hole of CEQA litigation. Really? Can this be true?

Fear no more. A recent appellate court decision involving the EIR for a master plan to redevelop Treasure Island, which sits between San Francisco and Oakland, has declared that *substance* does indeed trump *form*. The Treasure Island master plan called for up to 8,000 homes, new commercial and office buildings, 500 hotel rooms, a new ferry terminal, and parks, playgrounds and open space. Completion of the project was projected to take 15 to 20 years.

The core of the challenge was that the EIR identified itself as a “project level” EIR, suggesting – at least to the Petitioners – that no additional CEQA evaluation would be required throughout the project’s expected long course of development. The Petitioners wanted the label to matter more than the substance, because they hoped that would mean that every later phase of the “program” would provide an opportunity for them to bring a new CEQA challenge.

The Treasure Island court chose a more rational and practical interpretation of CEQA, holding that the EIR needed only to evaluate the level of detail known at the time the EIR is prepared. “The level of specificity of an EIR is determined by the nature of the project and the ‘rule of reason’, rather than any semantic label accorded to the EIR.” Regardless of whether you call it a “program EIR” or a “project EIR,” your ability to rely on the EIR for later phases should be the same. So, if you find that your multi-phase project’s EIR is being delayed by the agency because it is struggling with whether it needs a project EIR or a program EIR, have your land use counsel share the wisdom of the Treasure Island case with agency staff and keep your entitlement process on track.

(Note: Cox Castle & Nicholson represented Treasure Island Homeless Development Initiative in this case).

Under the law known as the California Environmental Quality Act (CEQA), SJCOG must prepare a “program-level” Environmental Impact Report (Program EIR) to inform residents and decision makers of the potential environmental impacts that could result from implementing the 2018 RTP/SCS. Rather than

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analyze individual projects or policies, the Program EIR looks at potential environmental impacts of the Plan as a whole. Individual projects are required to separately comply with CEQA and/or the National Environmental Policy Act (NEPA), as applicable.

Please note that the Final Program EIR, in combination with the Draft EIR and its technical appendices comprise the Final EIR document.

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<https://dpw.lacounty.gov/lacfd/ewmppeir/faq.cfm>

### What is a EWMP?

The Los Angeles County Flood Control District (District) along with other agencies throughout Los Angeles County are embarking on a new way to address and manage stormwater runoff with the Enhanced Watershed Management Programs (EWMPs). The EWMPs will seek and investigate opportunities throughout Los Angeles County to construct multi-benefit projects that will improve stormwater quality, water supply, and/or flood control. [\[Click Here to see Map\]](#)

### Why is the District Preparing a Program EIR?

- The Los Angeles County Flood Control District is preparing a Program EIR to evaluate the proposed EWMPs that are being developed to improve water quality in Los Angeles County.
- The Program EIR is an **Advanced Planning Document** describing details of the EWMPs being launched to comply with the new MS4 Stormwater Permit.
- It differs from a "Project EIR" in that **No Specific Projects will be approved by this Program EIR.**
- It will describe future development goals and policies without assessing any individual projects.
- Advance Planning improves public awareness and government transparency and provides for a higher level assessment of policy decisions prior to the consideration of individual projects.

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### What is the Role of the Flood Control District and Other Permittees?

- The Flood Control District is the Lead Agency preparing the Program EIR, evaluating each of the EWMPs within the County. This County-wide approach provides for a comprehensive view that will result in hundreds of water quality projects installed by multiple entities over a diverse geographic area.
- Each Permittee may choose to adopt the Program EIR at its own discretion and is responsible for implementation of individual projects.

## **What is a Program EIR?**

A Program EIR is a type of Environmental Impact Report (EIR) allowed under the California Environmental Quality Act (CEQA) that is used to evaluate a plan or program that has multiple components or actions that are related either geographically, through application of rules or regulations, or as logical parts of a long-term plan.

## **What is CEQA?**

The California Environmental Quality Act (CEQA) is a California law enacted in 1969 that requires public agencies in the state to evaluate environmental impacts of proposed projects. The act includes a public review period allowing the public and interested agencies time to comment on the project and potential impacts.

## **What does the Program EIR Cover?**

- The Program EIR describes and assesses policy-level commitments required to implement the EWMP.
- These commitments include installation of structural improvements alongside the storm drain infrastructure as well as adoption of non-structural policies aimed at reducing pollutant loading in our urban storm sewer runoff.
- Structural projects range from small, localized drainage improvements to large capture and treatment projects.

## **What Does this Program EIR Accomplish?**

This Program EIR assesses environmental effects of implementing Enhanced Watershed Management Programs (EWMPs) throughout the County to achieve compliance with the MS4 Permit.

- It is a disclosure process that identifies potential impacts to the environment.
- It informs the public and decision makers about the potential impacts.
- It identifies ways to avoid or reduce potential impacts.

## **What is the Schedule?**

- The Program EIR will be published for public review on January 16, 2015 at [www.LACoH2Osheds.com](http://www.LACoH2Osheds.com)
- The Los Angeles County Board of Supervisors will consider certifying the Program EIR in April 2015.
- The EWMPs will be submitted to the Water Quality Regional Board by June 28, 2015 to comply with the MS4 permit.

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- Subsequent environmental analysis will be required for all the storm water quality improvement projects currently under development through the EWMP process.

### **What is an MS4 Permit?**

A Municipal Separate Storm Sewer System (MS4) is the network of storm water drainages throughout our cities that conveys storm water to the larger flood control channels and rivers and ultimately to the ocean. The federal Clean Water Act requires that MS4s be covered under a discharge permit that ensures the region will achieve regional water quality objectives. The Los Angeles Regional Water Quality Control Board issued a new MS4 discharge permit to the 85 Permittees within Los Angeles County in December 2012.

### **Are Specific Projects Being Approved with this Program EIR?**

No. This Program EIR covering preparation of EWMPs does not approve any individual projects. Each Permittee is responsible for ensuring CEQA compliance for each of the subsequent, related projects that will arise from this planning effort.

### **Is the PEIR Countywide?**

Yes, however there are some Cities that elected to do plans on their own.

### **Is there a financial commitment?**

The LACFCD is sponsoring the PEIR, so there is not a City obligation for the PEIR. The Cities are already in the process of contributing finances for the planning and monitoring efforts associated with the Enhanced Watershed Management Program. Implementation costs are still being developed, but agencies should expect to cost share implementation efforts, too.

### **Does the PEIR contain costs?**

No, but the EWMP Plans will and draft copies will be available in the upcoming months.

### **Is there a project schedule in the PEIR?**

No, but the EWMPs will contain more details on projects including some partial time frames.

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<https://www.ceqadevelopments.com/2018/08/27/growing-pains-first-district-holds-program-eir-for-san-franciscos-general-plan-housing-element-amendment-complies-with-ceqa/>

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## **“Growing Pains”: First District Holds Program EIR for San Francisco’s General Plan Housing Element Amendment Complies with CEQA**

By **Arthur F. Coon** on August 27, 2018

POSTED IN AESTHETIC IMPACTS, AFFORDABLE HOUSING, ALTERNATIVES, BASELINE, CLIMATE CHANGE/GHG, CUMULATIVE EFFECTS, LAND USE, LEGISLATION, LITIGATION, MITIGATION, PROJECT DESCRIPTION, RECIRCULATION, SOCIAL AND ECONOMIC IMPACTS, STANDARD OF REVIEW, SUBSEQUENT REVIEW, WATER SUPPLY

In a lengthy published opinion filed on August 22, 2018, the First District Court of Appeal (Div. 4) affirmed the trial court’s judgment rejecting various CEQA challenges to the City of San Francisco’s (“City”) Program EIR analyzing the environmental impacts of its 2009 General Plan Housing Element, which it adopted on June 29, 2011. *San Franciscans for Livable Neighborhoods v. City and County of San Francisco* (2018) 26 Cal.App.5th 596. San Franciscans for Livable Neighborhoods (“SFLN”), an unincorporated association comprised of more than a dozen neighborhood organizations, had challenged the EIR – mostly unsuccessfully – in the trial court. It then appealed from adverse portions of the judgment concerning the EIR’s baseline and impact analyses for traffic, water supply, land use, and visual resources impacts; the City’s decision not to recirculate the EIR; the EIR’s alternatives analysis; and the feasibility of certain proposed mitigation measures.

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In affirming the judgment in favor of the City, and rejecting all of SFLN’s arguments on appeal, the First District’s opinion contained a number of interesting points:

- Under settled law, a program EIR like that for City’s Housing Element is properly “prepared on a series of activities that can be characterized as one large project and are related... [a]s individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in similar ways.” (CEQA Guidelines, § 15168(a)(4).) A comprehensive program EIR can avoid multiple EIRs, simplify later environmental review, and consider broad “programmatic” issues at an early stage allowing greater flexibility to deal with basic issues and cumulative impacts. The EIR’s level of specificity will correspond to that of the project at issue, and is governed by the “rule of reason” rather than the EIR’s “semantic label.”
- The Housing Element Law, of course, seeks to assure cities will recognize their responsibilities to contribute to attaining the state housing goal, and requires the general plan housing element of each jurisdiction to include a housing needs assessment; resources and constraints inventory; inventory of land suitable for residential development; and a program to implement the element’s policies and

achieve its goals and objectives. The element must identify actions to make sites available to meet the local government's fair share of housing as developed through the regional housing needs assessment (known as "RHNA") procedure to address the state's shortage of affordable housing. (Gov. Code, §§ 65580(a), 65584 – 65589.)

- The City's challenged 2009 Housing Element here had a specific mission under this important law: it examined the type, amount and affordability of new construction needed to meet the determination of the Association of Bay Area Governments ("ABAG") that the City's fair share of regional housing from January 2007 – June 2014 would be 31,190 units, i.e., 4,160 units per year. Based on the RHNA, it sought to provide a "policy framework" to address housing needs for a range of income categories. To this end, it focused on strategies to implement four "core housing values": (1) prioritize permanently affordable housing; (2) recognize and preserve neighborhood character; (3) integrate planning of housing, jobs, transportation, and infrastructure; and (4) cultivate the City as a sustainable model of development. As should not be surprising, given the clearly daunting task of realizing these "core values" in a large, dense and diverse city like San Francisco, the Housing Element acknowledged "tension" among its various housing goals, while providing objectives and policies to address the State's goals and the City's own pressing housing issues.
- The Court first rejected SFLN's claim that the Housing Element EIR improperly employed a year 2025 baseline, using future conditions projected by ABAG instead of existing conditions, in analyzing traffic and water impacts. CEQA provides that the environmental setting – i.e., existing physical environmental conditions in the project's vicinity – *normally* constitutes the "baseline" against which a project's environmental impacts are measured. But conditions may fluctuate over time, and the rule for determining existing conditions is not inflexible. Moreover, projected future conditions may be used as the *sole* baseline if the agency finds in its discretion *based on substantial evidence* that analyzing impacts with an existing conditions baseline would be uninformative or misleading to decision-makers and the public. (*Neighbors for Smart Nail v. Exposition Metro Construction Line Authority* (2013) 57 Cal.4th 439, 451 – 452, 457.)
- As a factual matter, the Court noted the EIR compared existing traffic conditions at 60 studied intersections (based on an expert traffic consultant's actual observations of 2010 conditions) to projected traffic in 2025, and explained that while traffic is expected to worsen, the Housing Element itself does not generate new trips, but provides direction for how inevitable new residential development should occur, emphasizing affordability. The EIR's water analysis similarly identified existing demand and analyzed whether Housing Element policies would

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result in a need for additional water beyond that provided by existing entitlements and resources; it used projections drawn from various existing plans and studies and properly concluded the Housing Element's policies would not increase water demand beyond that assumed in the 2009 San Francisco Public Utility Commission's Water Supply Availability Study ("WSAS"). The Court held: "City was within its discretion to adopt a baseline calculation forecasting traffic and water impacts in 2025, rather than comparing the existing conditions with and without the Housing Element." A key factor in this analysis, per the Court, was that: "The Housing Element... is not designed to *induce* population growth, and is distinguishable from cases where approvals of projects clearly would result in population growth in previously underdeveloped areas."

- Explaining its rationale for rejecting SFLN's "baseline" arguments more specifically, the Court stated: "SFLN's principal claim is that the Housing Element will lead to increased growth in the City with consequent environmental impacts. This is not a baseline or project description argument. It is a causal argument. It is premised on the isolation of the increased-density policies from the causes of population growth, which are a multi-faceted product of births, deaths, migration, household size, labor force participation rates, and job growth over the next 20 years. [¶] Here, the City did not simply decline to consider the impacts by saying the growth was inevitable. Rather, the City engaged in considerable discussion of projected growth and analyzed the traffic and water supply impacts based on these projections. This is what CEQA requires. [citations] [¶]... A determination that an existing conditions analysis would be misleading or without informational value is primarily factual and must be upheld if supported by substantial evidence. [citation] The EIR analyzes likely future conditions in the context of current ones and concludes there will be no immediate increase in traffic or water demand in the short-term. SFLN's disagreement with the EIR's analysis is insufficient to establish that the City abused its discretion in utilizing a future baseline. [citation]."
- The Court summarized its general view of the "baseline" issue, in the relevant context of a long-term general plan to accommodate inevitable population growth in a lawful, orderly manner, as follows: "It would be absurd to ask the City to hypothesize the impacts of a long-term housing plan taking hold immediately. When an amendment to a general plan takes a long view of city planning, the analysis of the amendment's impacts should do so as well. [citation]."

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- In a terse, fact-specific, and somewhat ambiguous legal analysis (mixing CEQA's "tiering" and "modified project" rules), the Court rejected SFLN's specific contention that the EIR relied on the Housing Element's maximum allowable density and height requirements as the baseline for its land use and aesthetic impacts analysis. It noted that the EIR "[c]ompar[ed] the existing environment to the changes proposed in the 2009 Housing Element" and determined that the incremental increases in residential development would not result in significant impacts in those areas. But it added that an EIR need not always compare a project's impacts to the existing physical environment, and "where a local agency has already prepared a program EIR, it need not prepare a subsequent one in connection with later activities unless those activities would have effects that the program EIR did not examine. (CEQA Guidelines, § 15168[ ](c)(1).) The relevant question is whether new significant environmental effects or a substantial increase in the severity of previously identified significant effects will result from a substantial change to the project. (§ 21166; CEQA Guidelines, § 15162.) Comparison to theoretical impacts is generally necessary to answer this question." It then seemed to retreat somewhat from reliance on this analysis by adding that the baseline used by the City "is not hypothetical, [citation], but based on observation of existing conditions" and that "projections of future development, to measure likely impacts, derive from this baseline." In any event, what is clear from the opinion is that Appellant SFLN decisively lost on all of its baseline arguments.
- The Court also rejected SFLN's challenges to the EIR's impact conclusions under CEQA's applicable deferential standard of review, noting that: "An agency decision to not identify an impact as significant is reviewed for substantial evidence. (*California Oak Foundation v. Regents of University of California* (2010) 188 Cal.App.4th 227, 281 – 282.)" Rejecting SFLN's contrary contention, the Court held that "[e]limination of potential impacts... is not the standard" for finding a project impact to be "less than significant" and that "[a] court's task is not to weigh conflicting evidence and determine who has the better argument when the dispute is whether adverse effects have been mitigated or could be better mitigated." (Quoting *Oakland Heritage Alliance v. City of Oakland* (2011) 195 Cal.App.4th 884, 900.) The opinion's application of this law in its further, extended and fact-bound discussion of the EIR's land use and visual impacts analysis unsurprisingly culminated in deference to the City's "less than-significant" impact conclusions in these areas.
- The Court quickly dispatched SFLN's contention that the EIR failed to disclose potentially significant traffic impacts of three other "in-the-pipeline" development projects – Treasure Island, Candlestick Point – Hunters Point, and Parkmerced. Per the Court: "[T]he City was not required to study these in-the-pipeline projects

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as they are already subject to their own CEQA and EIR process.” Moreover, and in any event, “the pipeline projects were included in the cumulative 2025 traffic conditions[,]” as explained earlier in the opinion. “[T]he EIR justifies its conclusion of no significant [traffic] impact, explaining that although some policies could result in certain areas experiencing greater levels of congestion, policies that encourage a reduction of vehicle miles traveled – such as locating housing near jobs and transit – could improve projected 2025 conditions over what would be expected without those policies.”

- Relying in part on important fundamental premises unique to this planning context, and noted throughout its opinion – that “the City’s projected population increase is not due to the changes in the Housing element” which is “a growth-accommodating rather than growth-inducing measure” – the Court also rejected SFLN’s challenges to the EIR’s water supply impacts analysis. The opinion contains an extended and detailed discussion of the EIR’s analysis and its conclusions that changes to the Housing Element would not significantly impact water demand or supply. Per the court: “The EIR’s analysis of water supply impacts was appropriate for a general plan or program EIR, in that it provided decision makers with sufficient analysis to consider the environmental consequences of the revisions. [citation].” Addressing the principles enunciated in *Vineyard Area Citizens for Responsible Growth, Inc. v. City of Rancho Cordova* (2007) 40 Cal.4th 412, 434, the Court held: “The Housing Element, as a policy document for implementing change, is not required to establish a *likely* source of water . . . . [¶] In sum, the EIR adequately addresses the reasonably foreseeable impacts of supplying water to the future housing proposed by the Housing Element. The City reasonably relied on the information in the WSAS, and the EIR’s finding that impacts to water would be less than significant is supported by substantial evidence.”
- The Court held recirculation of the Final EIR was not required by the post-publication, but pre-certification, issuance of a memorandum updating the WSAS and indicating a water deficit anticipated after 2030 could come much sooner (i.e., between 2013 and 2018) due to decreases in the water available from three creeks. The Court found the memorandum was “comprehensively address[ed]” by the Planning Commission in the Final EIR, and the City did not abuse its discretion in determining recirculation was not required.
- The Court rejected SFLN’s argument that the EIR failed to analyze the allegedly growth-inducing impacts on population from the Housing Element’s “serving regional goals” of ABAG’s Land Use Policy Framework. Again, the Court pointed out “the Housing Element is not a growth-inducing plan” but, rather, “serves as a growth accommodating plan for the inevitable population increase.” The EIR’s

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treatment of designated Priority Development Areas (“PDAs”) comprising less than 5% of the Bay Area’s total land area, but potentially accommodating over half its projected housing growth to 2035, was appropriate. Viewing this “regional impacts” argument as a disagreement over the wisdom of public policy, the Court noted “the EIR identified the impacts of its policies encouraging residential development along transit corridors that is consistent with ABAG’s regional smart growth strategies” and held “SFLN’s disagreement with this analysis is insufficient to establish that the City abused its discretion in determining that the Housing Element is consistent with the Land Use Policy Framework and impacts related to land use conflicts are less than significant.”

- The Court held the EIR considered a range of reasonable project alternatives, and rejected SFLN’s arguments that it failed to adequately consider feasible reduced-density alternatives and additional mitigation measures for transit impacts. An EIR need not consider every conceivable project alternative; agencies are guided by “feasibility,” and the “rule of reason,” which requires the EIR set forth only those alternatives necessary to permit a reasoned choice, and analyze in detail only those the agency determines could feasibly attain most of the project’s basic objectives (as well as a “no project” alternative). Here, the EIR analyzed three alternatives in depth, and scoped out three others as infeasible, and SFLN failed to meet its burden to demonstrate this did not amount to a reasonable range or that a particular potentially feasible alternative was excluded. Citing *Mount Shasta Bioregional Ecology Center v. County of Siskiyou* (2012) 210 Cal.App.4th 1811, the Court also pointedly *rejected* SFLN’s contention “that [as a matter of law] consideration in the EIR only of a proposed project and a no project alternative is inadequate[.]”
- Addressing SFLN’s arguments regarding the EIR’s analysis of the sole significant effect it identified – a potential cumulative effect on transit – the Court found the alternatives analysis was adequate and provided decision makers with sufficient information about feasible alternatives. The City’s responses to comments explained why SFLN’s proposed “RHNA-focused reduced-density” alternatives would not reduce transit impacts, added nothing meaningful to the analysis, and were infeasible. Accordingly, “the City’s choice of alternatives was not manifestly unreasonable.” Finally, and similarly, the Court held substantial evidence supported the EIR’s assessment and rejection (as infeasible) of SFLN’s proposed transit impact mitigation measures in its responses to comments.

As suggested by this post’s title, the “growing pains” experienced by lead agencies from population increases in California are viewed by the courts in the context of CEQA litigation as inevitable. Planning documents – and particularly housing elements – *must* address *and accommodate* this growth, and CEQA challenges to required jurisdiction-

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wide planning updates that are framed in the inapposite terms of arguments generally aimed at individual development projects will not likely succeed in court. Most certainly, such litigation will not succeed in stopping population growth or the need to accommodate and plan for it. As the Court aptly noted, the causes of such growth are multi-faceted, but they do not include – and should not be conflated or confused with – the planning policies that the law wisely requires to deal with their effects.

*Questions? Please contact **Arthur F. Coon** of Miller Starr Regalia. Miller Starr Regalia has had a well-established reputation as a leading real estate law firm for more than fifty years. For nearly all that time, the firm also has written Miller & Starr, California Real Estate 4th, a 12-volume treatise on California real estate law. “The Book” is the most widely used and judicially recognized real estate treatise in California and is cited by practicing attorneys and courts throughout the state. The firm has expertise in all real property matters, including full-service litigation and dispute resolution services, transactions, acquisitions, dispositions, leasing, financing, common interest development, construction, management, eminent domain and inverse condemnation, title insurance, environmental law and land use. For more information, visit [www.msrllegal.com](http://www.msrllegal.com).*

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<http://dudek.com/2018-ceqa-guidelines-update/>

## 2018 CEQA Guidelines Update

**Posted On January 10, 2019**

Environmental Documentation and Permitting  
CEQA, environmental regulations  
Dudek Team

The 2018 California Environmental Quality Act (CEQA) Guidelines Update has been finalized and are found in the [California Code of Regulations Section 15000 et seq.](#) In the Final Statement of Reasons, the Natural Resources Agency organized the changes into three categories:

- [Efficiency](#)
- [Substantive Improvements](#)
- [Technical Improvements](#)

### [Efficiency](#)

#### Using Regulatory Standards in the CEQA Process

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The update clarifies that a standard adopted for purposes of environmental protection can be used as a threshold (this is one of the pieces of the 1998 Guidelines that was overturned by the court). Now, the Governor’s Office of Planning and Research (OPR) has added two provisos: (1) the lead agency must explain why the threshold is appropriate; (2) regardless of any threshold of significance used, “substantial evidence” is always the ruling factor in determining an impact.

### Updates to the Sample Environmental Checklist in Appendix G

Beyond general streamlining and eliminating redundancy, changes include narrowing the scope of aesthetic impacts; moving paleontology from cultural resources to geology; adding the Appendix F energy “question” to Appendix G (which means energy must be considered in a Negative Declaration); moving and expanding wildfire issues; combining airport safety and noise into one question and deleting the reference to private airstrips; adding the Senate Bill (SB) 743 Vehicle Miles Traveled (VMT) changes; cleaning up water and utilities questions; clarifying that land use conflicts must relate to a physical impact; and adding “unplanned” to the population growth question.

### Determining Whether a Project is “Within the Scope” of a Program EIR

OPR attempts to clarify this key decision point for tiering by specifying that this is a factual question decided by the lead agency based on substantial evidence. Factors that an agency may consider in making that determination include, but are not limited to, consistency of the later activity with the type of allowable land use, overall planned density and building intensity, geographic area analyzed for environmental impacts, and description of covered infrastructure, as presented in the project description or elsewhere in the program EIR.

The revised guidelines also state that a program EIR is most useful when it has a detailed project description that identifies later activities. Changes are also made to the section regarding tiering, clarifying that this section applies to tiering generally, and that streamlining methods may have specific rules.

### Exemptions

The guidelines, [per SB 743](#), expand the current streamlining for residential projects consistent with a specific plan (Section 158182) to certain transit-oriented residential and mixed use projects consistent with a specific plan. Additional detail has been added to the Statutory Exemption for Emergency Projects.

The Class 1 categorical exemption for existing facilities has been expanded by adding “former” uses to the definition of existing uses and covering certain improvements related to pedestrian, bicycle, and transit circulation. ***The update does not clarify how far in***

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***the past is considered “former.” This may be a boon for local planners or for lawyers who challenge it.***

## Remand and Remedies

Additional section outlining what happens to the project when the court remands a portion or all of the approval based on a CEQA violation.

## Substantive Improvements

### Transportation Impacts Analysis

Perhaps the marquee change to the Guidelines is the change to transportation impact analysis, as authorized by [SB 743](#). SB 743 specified that level of service, the standard metric for traffic impact analysis, could no longer be used for an impact significance determination for certain transit-oriented development projects, and gave OPR the option of expanding this change for all categories of project.

OPR took that option, and identified VMT as the new metric for transportation impacts. The changes to the CEQA Guidelines are brief —Section 15064.3 has been added to the Guidelines to explain the use of VMT—and OPR prepared a separate Technical Advisory to flesh out the details for VMT as an impact methodology. ***Lead agencies must switch to VMT as an impact standard no later than July 1, 2020.***

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### Greenhouse Gas Analysis

This improvement makes revisions based on two recent greenhouse gas (GHG) court cases: Newhall (properly known as *Center for Biodiversity vs. CDFW*) and Cleveland National Forest Foundation. The changes clarify that consistency with the state’s long-term goals may be considered, but they must be applied at the project level, with substantial evidence supporting the determination of significance.

### Energy Impacts Analysis

This improvement adds a discussion of energy to the section on potentially significant environmental effects to be considered in an EIR.

### Water Supply Analysis

This improvement adds additional information to the analysis of water supply, including the level of certainty related to various phases of project approval.

## Technical Improvements

### Responses to Comments

This technical improvement clarifies that both comments and responses can be transmitted electronically. It further clarifies that the level of detail in a response can match the level of detail in the comment response (i.e., general comments merit general responses), and that the lead agency (per recent case law) is not required to respond to the “dump” of technical data in a comment unless that information is specifically referenced in the comment.

### Hazards

This technical improvement revises the environmental hazards section based on the Bay Area Air Quality Management District case, stating that the effect of an environmental condition on the project may only be considered significant if the project makes that condition worse. Existing hazards that may affect the project (i.e, “CEQA-in-reverse”) are not considered significant impacts.

### Baseline

This technical improvement reflects the recent line of case law. The conditions at the time of the Notice of Preparation (NOP) (or initiation of an initial study) are still the baseline of choice, but the lead agency can consider substantial evidence in the use of a historic or future baseline.

### Pre-Approval Agreements

This technical improvement clarifies that interest in a project or an agreement to acquire a site may not require CEQA compliance, if it is clear that compliance will be required before any binding commitments are made on a project or its location.

### Other Technical Improvements

- **Conservation Easements as Mitigation.** An agricultural conservation easement will serve as full mitigation for conversion of farmland.
- **Notice of Determination and Notice of Exemption.** The project proponent (recipient of government funding or approvals) must be identified in the notice.
- **Posting with the County Clerk.** NOPs shall be filed with the County Clerk of each county where the project is located.

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- **Time Limits for Negative Declarations.** The 180-day limit can be extended once for not more than 90 days.
- **Project Benefits.** Benefits may be discussed as part of the project objectives.
- **Joint CEQA/NEPA Documents.** Agencies can enter into a memorandum of agreement for preparation.
- **Discretionary Projects.** Adds additional information on what makes a project discretionary.
- **Common Sense Exemption.** The “general rule exemption” has been renamed “common sense exemption.”
- **Consultation with Transit Agencies.** Minor cleanup to consultation on projects of statewide, regional or area-wide significance.
- **Lead Agency by Agreement.** Minor clarification to lead agency designation.
- **Mitigation Details.** Cleans up when and how the details of a mitigation measure can be deferred.
- **Preparing the Initial Study.** Cleans up arrangement for preparing negative declarations to match EIR.
- **Citations in Environmental Documents.** Minor clarification.
- **Appendices to the CEQA Guidelines.** Minor updates to forms to be consistent with the other changes (such as the infill project checklist).

*For more information on the 2018 CEQA Guidelines Update, contact Brian Grattidge at [bgrattidge@dudek.com](mailto:bgrattidge@dudek.com) or 916.438.5312.*

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## Section F: Estimated Regulatory Costs for Cannabis Production

### From ERA Report to State of California January 2017

Medical Cannabis Cultivation Program (MCCP) Standardized Regulatory Impact Assessment (SRIA)

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**Table 11 Average Regulatory Costs (\$/lb) by MCCP License Type**

| <u>Industry</u>                       | <u>Outdoor</u> | <u>Indoor</u> | <u>Mixed<br/>Light</u> | <u>Nursery*</u> | <u>Processing</u> |
|---------------------------------------|----------------|---------------|------------------------|-----------------|-------------------|
| <b>Amortized fixed costs (\$/lb)</b>  |                |               |                        |                 |                   |
| Cultivation Plan                      | 1.31           | 0.22          | 0.37                   | 0.03            | 0.11              |
| \$5,000 Bond                          | 0.08           | 0.01          | 0.02                   | 0.00            | 0.01              |
| BOE License                           | 0.02           | 0.00          | 0.00                   | 0.00            | 0.00              |
| T&T Training                          | 0.20           | 0.03          | 0.06                   | 0.00            | 0.02              |
| Local Permit / Business License       | 0.53           | 0.09          | 0.15                   | 0.01            | 0.05              |
| Cultivator application fee            | 0.13           | 0.13          | 0.13                   | 0.00            | 0.01              |
| Label printer                         | 1.05           | 0.17          | 0.29                   | 0.00            | 0.00              |
| Weights and measures application fee  | 0.04           | 0.01          | 0.01                   | 0.00            | 0.00              |
| <b>Operating expenses (\$/lb)</b>     |                |               |                        |                 |                   |
| Cultivator License Fee (MCCP)         | 9.46           | 9.46          | 9.46                   | 0.05            | 0.93              |
| Local license fee                     | 157.44         | 16.10         | 28.52                  | 1.10            | 5.00              |
| Cultivation Plan Update               | 3.30           | 0.55          | 0.92                   | 0.08            | 0.32              |
| Local Taxes*                          | 10.60          | 15.83         | 11.89                  | 0.17            | 1.73              |
| T&T Annual Cost                       | 1.65           | 0.27          | 0.46                   | 0.04            | 0.16              |
| T&T Tag and Bag Cost                  | 0.21           | 0.78          | 0.54                   | 0.45            | 0.18              |
| T&T Labor Cost                        | 10.59          | 3.54          | 4.15                   | 1.06            | 1.22              |
| Labor Compliance                      | 12.10          | 2.01          | 3.39                   | 0.29            | 1.17              |
| Pesticide Compliance (training)       | 6.55           | 1.02          | 1.73                   | 0.14            | 0.57              |
| WQCB and DFW water compliance         | 13.64          | 2.05          | 3.49                   | 0.34            | 1.35              |
| Labeling requirements                 | 6.49           | 6.49          | 6.49                   | 0.05            | 6.49              |
| Composting cost                       | 0.37           | 0.28          | 0.33                   | 0.00            | 0.14              |
| Weights and measures annual cost      | 1.08           | 0.18          | 0.30                   | 0.00            | 0.11              |
| <u>Environmental Compliance (EIR)</u> | <u>n/a</u>     | <u>n/a</u>    | <u>n/a</u>             | <u>n/a</u>      | <u>n/a</u>        |
| <b>Total regulatory cost (\$/lb)</b>  | <b>\$240</b>   | <b>\$60</b>   | <b>\$75</b>            | <b>\$4</b>      | <b>\$20</b>       |

\*Nursery costs are in dollars per plant.

Average annual

**Table 10 MCCP Annual Operating Budget (\$ thousands)**

| <u>Item</u>                   | <u>Annual Program Cost</u> |
|-------------------------------|----------------------------|
| Total MCCP Personnel Services | \$982                      |
| Operating Expenses            |                            |
| External services             | 1,706                      |
| Equipment and Vehicle         | 27                         |
| All other                     | 378                        |

|                                    |                |
|------------------------------------|----------------|
| <u>Total Operating Expenses</u>    | <u>2,111</u>   |
| <u>Total Annual Operating Cost</u> | <u>\$3,093</u> |

**Table 15 Employment Requirements and Parameters for Each Production Method**

| Parameter                                               | Outdoor    | Indoor     | Mixed Light |
|---------------------------------------------------------|------------|------------|-------------|
| SQFT of Operation                                       | 8,132      | 4,869      | 2,058       |
| Average Pounds Produced                                 | 211        | 346        | 238         |
| Average Full Time Employees                             | 2.3        | 2.6        | 2           |
| Average Yield Per Full Time Employee                    | 110        | 183        | 105         |
| Average Hours per lb                                    | 9.6        | 9.9        | 9.8         |
| Total Hours to Trim Pound of Cannabis                   | 2023       | 3416       | 2332        |
| Trimming Hours Full Time Equivalent                     | 1          | 1.6        | 1.1         |
| Additional Total Hours Needed for Set-Up and Production | 183.2      | 96.1       | 96.2        |
| <b>Total Full Time Equivalent Jobs</b>                  | <b>3.3</b> | <b>4.3</b> | <b>3.2</b>  |

## Section G: - Economic Impact Study: Cannabis Sector in Greater Sacramento Area

October 17, 2016

[https://www.pacific.edu/Documents/school-business/BFC/CannabisStudy/Sacramento%20Area%20Legal%20Cannabis%20Sector%20Impact%20Study 2016 10 12.pdf](https://www.pacific.edu/Documents/school-business/BFC/CannabisStudy/Sacramento%20Area%20Legal%20Cannabis%20Sector%20Impact%20Study%202016%2010%2012.pdf)

**Cannabis Cultivation Economic Impact: Sacramento Area Supply and Demand Scenarios**

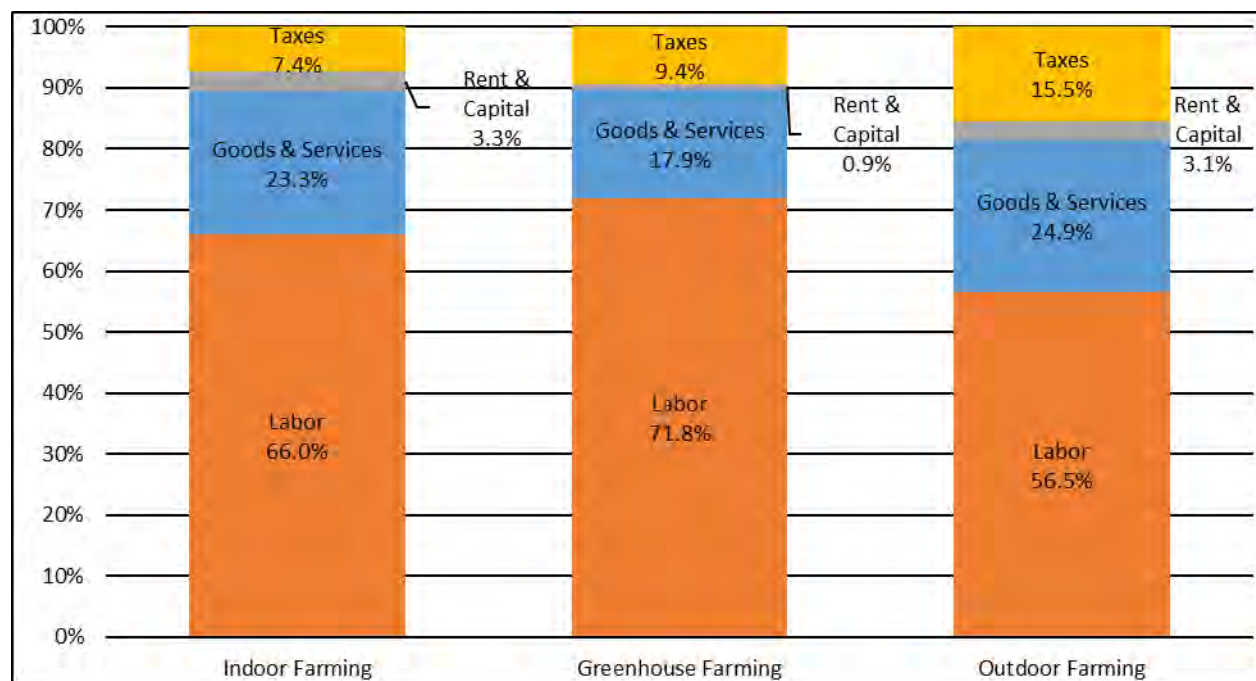
| Impact:                | Supply:       | Limited  |          |          | Local     |           |           | Cluster   |             |             |
|------------------------|---------------|----------|----------|----------|-----------|-----------|-----------|-----------|-------------|-------------|
|                        | Demand:       | Base     | Medium   | High     | Base      | Medium    | High      | Base      | Medium      | High        |
| Employment             | Direct Effect | 103      | 113      | 123      | 672       | 739       | 806       | 2,246     | 2,470       | 2,695       |
|                        | Total Effect  | 260      | 286      | 312      | 1,699     | 1,869     | 2,039     | 5,680     | 6,248       | 6,815       |
| Labor Income (\$'000s) | Direct Effect | \$16,360 | \$17,996 | \$19,632 | \$107,110 | \$117,821 | \$128,532 | \$357,964 | \$393,760   | \$429,557   |
|                        | Total Effect  | \$23,449 | \$25,793 | \$28,138 | \$153,516 | \$168,867 | \$184,219 | \$513,052 | \$564,357   | \$615,663   |
| Output (\$'000s)       | Direct Effect | \$26,010 | \$28,611 | \$31,212 | \$170,287 | \$187,316 | \$204,345 | \$569,102 | \$626,013   | \$682,923   |
|                        | Total Effect  | \$45,626 | \$50,189 | \$54,751 | \$298,711 | \$328,583 | \$358,454 | \$998,297 | \$1,098,127 | \$1,197,957 |

### The Economic Impact of Cannabis Cultivation in the Sacramento Area:

- Direct employment by cannabis cultivators is between 103 in the limited-baseline scenario and 2,695 jobs in the cluster-high growth scenario.
  - Total employment impacts are between 260 in the limited-baseline scenario and 6,815 jobs in the cluster-high growth scenario.
  - Direct output by cannabis cultivators is between \$26 million in the limited-baseline scenario and \$683 million in the cluster-high growth scenario.
  - Total output impacts from the industry are between \$46 million in the limited-baseline scenario and \$1.2 billion in the cluster-high growth scenario.
- Under the local/proportional scenario, the value of cannabis cultivation would be similar to the existing value of wine grape cultivation in the Sacramento area, around \$200 million.
- However, under the cluster-high growth scenario, cannabis cultivation in the Sacramento area could be similar in value to wine grape cultivation in Sonoma County, around \$600 million.

P-27  
cont'd**Table 7 Goods and Services Expenditures in Cannabis Cultivation by Type of Farm**

| Sector of Expenditure:     | Cannabis    |             |             |
|----------------------------|-------------|-------------|-------------|
|                            | Indoor      | Greenhouse  | Outdoor     |
| Cannabis Sector Inputs     | 0.2%        | 0.4%        | 1.7%        |
| Costs of Premises          | 1.5%        | 1.1%        | 3.7%        |
| Equipment                  | 4.4%        | 1.6%        | 1.2%        |
| Growing Material           | 13.2%       | 20.2%       | 46.8%       |
| Insurance Services         | 0.4%        | 0.5%        | 1.2%        |
| Other Operational Expenses | 1.2%        | 1.5%        | 0.6%        |
| Packaging                  | 0.1%        | 0.2%        | 0.1%        |
| Professional Services      | 36.9%       | 45.7%       | 35.3%       |
| Security                   | 2.0%        | 2.8%        | 6.7%        |
| Utilities                  | 40.2%       | 26.0%       | 2.6%        |
|                            | <b>100%</b> | <b>100%</b> | <b>100%</b> |

**Figure 2 Cannabis Cultivation Expenditure Shares**

### 3.1 The Cannabis Cultivation Industry

Three distinct types of cannabis cultivation are assumed to supply all cannabis in our analysis: 1) Indoor farming operations, 2) Greenhouse farming operations, and 3) Outdoor farming operations.<sup>8</sup> For each type of facility, we fix their typical physical size, employment, and cannabis production. Assuming fixed characteristics, we impose constant returns to scale in the facilities' operations. That assumption is justified because, as we explained in the introduction, AUMA will restrict cultivation to small and medium size operations between 2018 and 2023. In addition, analyses of the industry show constant returns to scale are a reasonable assumption for this range of facilities.<sup>9</sup> The characteristics of the facilities are based on interviews by our project team with industry experts and available literature.<sup>10</sup>

As such our typical indoor grow is assumed to be in a 10,000 square feet (sq. ft.) facility with 4,900 sq. ft. of canopy and five harvests annually which results in an annual yield of 980 kilograms of cannabis. Greenhouse cannabis grows are assumed to be in 21,000 sq. ft. facilities with 14,700 sq. ft. of canopy

and four annual harvests which yield a total of 2,352 kilograms of cannabis annually. The typical outdoor grow is assumed to be in a 10,000 sq. ft. facility with a 7,000 sq. ft. canopy and a single annual harvest that yields 280 kilograms. Based on interviews with Northern California market experts and information from available industry databases,<sup>11</sup> the wholesale value of the facilities' cannabis is assumed to be as follows:

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cont'd

- Indoor grown cannabis is assumed to be worth \$4.50/gram (\$2,040/lbs.).
- Greenhouse grown cannabis is assumed to be worth \$3.50/gram (\$1,588/lbs.).
- Outdoor grown cannabis is assumed to be worth of \$2.25/gram (\$1,020/lbs.).

In terms of output shares and based on the interviews with Northern California market experts we assume that 50% of all cannabis is produced at outdoor grows and the remainder is split equally between indoor and greenhouse grows (25% each).

### 5.2.1 Economic Impacts of Cultivation

The Sacramento Area's 2018 total direct output impacts from cannabis cultivation were reported in Table 14 in Section 4.3. These showed that cultivation operations' direct output impacts range from \$45.6 million to \$1,198 million. That level of output equates to a direct effect on labor income between \$16.3 million and \$429.6 million. Similarly, the direct employment effect is estimated between 103 and 2,695 jobs. Estimating the industry's total effects requires indirect and induced impacts to be estimated and combined with the direct effects. In similar fashion to the analysis of the sector as a whole, Figure 9 illustrates the generation of these total effects under the scenario of high demand growth and a strong comparative advantage in the market under the cluster scenario.

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cont'd

## Section H: Websites Consulted for the Preparation of this Report

[http://www.dof.ca.gov/Forecasting/Economics/Major\\_Regulations/Major\\_Regulations\\_Table/documents/20170203FinalMCCPSRIA.pdf](http://www.dof.ca.gov/Forecasting/Economics/Major_Regulations/Major_Regulations_Table/documents/20170203FinalMCCPSRIA.pdf)

<http://resources.ca.gov/ceqa/guidelines/art10.html>

<https://blog.aklandlaw.com/2014/09/articles/ceqa/it-says-its-a-project-eir-you-say-it-should-be-a-program-eir-does-the-label-even-matter/>

<https://landuse.coxcastle.com/project-eir-program-eir-rose-name/>

<https://dpw.lacounty.gov/lacfd/ewmppeir/faq.cfm>

<https://www.ceqadevelopments.com/2018/08/27/growing-pains-first-district-holds-program-eir-for-san-franciscos-general-plan-housing-element-amendment-complies-with-ceqa/>

<https://www.mynevadacounty.com/DocumentCenter/View/24125/Horizon-EIR-Proposal-PDF>

[https://www.ucop.edu/ceqa-handbook/chapter\\_02/2.1.html](https://www.ucop.edu/ceqa-handbook/chapter_02/2.1.html)

<http://dudek.com/2018-ceqa-guidelines-update/>

[http://opr.ca.gov/docs/NEPA CEQA Handbook Feb2014.pdf](http://opr.ca.gov/docs/NEPA_CEQA_Handbook_Feb2014.pdf)

<https://www.kansascityfed.org/publications/research/rme/articles/2018/rme-1q-2018>

[https://www.pacific.edu/Documents/school-business/BFC/CannabisStudy/Sacramento%20Area%20Legal%20Cannabis%20Sector%20Impact%20Study\\_2016\\_10\\_12.pdf](https://www.pacific.edu/Documents/school-business/BFC/CannabisStudy/Sacramento%20Area%20Legal%20Cannabis%20Sector%20Impact%20Study_2016_10_12.pdf)

<https://www.cannabisbusinesstimes.com/article/7-ways-to-increase-efficiency--cut-costs/>

<https://www.quora.com/How-much-marijuana-cannabis-does-it-take-to-make-one-ml-of-cannabis-oil>

<https://www.cannabischeri.com/featured/calculating-cannabis-cooking-dosages/>

<https://cannabismaven.io/theweedblog/growing/how-much-dabs-can-you-make-with-marijuana-kt2Mtpfir0KWxTduxzIBQ/>

<https://solarenergylocal.com/states/california/>

<https://news.energysage.com/350-watt-solar-panels-are-they-right-for-you/>

<https://investinganswers.com/financial-dictionary/investing/internal-rate-return-irr-2130>

<https://www.energysage.com/panels/SunPower/SPR-X21-350-BLK-D-AC/#warranty-specification>

<http://brightstarsolar.net/common-sizes-of-solar-panels/>

<https://news.energysage.com/how-many-solar-panels-do-i-need/>

<https://www.kansascityfed.org/publications/research/rme/articles/2018/rme-1q-2018>

[https://www.pacific.edu/Documents/school-business/BFC/CannabisStudy/Sacramento%20Area%20Legal%20Cannabis%20Sector%20Impact%20Study\\_2016\\_10\\_12.pdf](https://www.pacific.edu/Documents/school-business/BFC/CannabisStudy/Sacramento%20Area%20Legal%20Cannabis%20Sector%20Impact%20Study_2016_10_12.pdf)

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cont'd

## Response to Comment Letter P – Gary Baker

**Response to Comment P-1:** The commenter provides an index of the comments. No further response is required.

**Response to Comment P-2:** The commenter provides a series of tables with calculations regarding employees, yields, water use, electricity use. The first table is designated as the Preferred Alternative 5 (4,250 Permits) 70% Outdoor. The second table shows the Proposed Project, the third table shows the 30% Project Alternative, The fourth table shows Alternative 1A (33% Indoor, Mixed & Outdoor), the fifth table showed Alternative 1B (Reduce 100 SF Sites), the sixth table shows Alternative 1C (55% Outdoor – Increased Indoor), the seventh table shows Alternative 1D (55% Outdoor – Increase Indoor), the eighth table shows Alternative 1E (55% Outdoor – Add Mixed-light 1), the ninth table shows Alternative 1F (Add Mixed-light 1, Indoor 3.5), the tenth table shows Alternative 2A (5,250 Permits – 55% Outdoor), the eleventh table shows Alternative 2B (5,250 Permits – 60% Outdoor), the twelfth table shows Alternative 3A (5,000 Permits – 60% Outdoor), the thirteenth table shows Alternative 4A (4,000 Permits – 60% Outdoor), the fourteenth table shows Alternative 4B (4,000 Permits – 70% Outdoor).

The County recognizes the tables the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-3:** The commenter provides information in relation to calculating the yield of cannabis cultivation. This includes information such as cultivation techniques, temperatures, CO2 use, size of plants, etc. The commenter provides information about gross yield which is the amount of trimmed flower that is sold. The commenter discusses a study prepared by BOTECH Analysis, which when the commenter used their methodology determined that the DEIR was 5.61% lower in production value. The commenter notes this is probably insignificant statistically.

The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-4:** The commenter provides information from an indoor growing operation in the Netherlands. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-5:** The commenter provides information regarding the cost of processing Sinsemilla. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-6:** The commenter provides information regarding speculations about labor intensity and associated costs of processing. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-7:** The commenter provides information on water the water consumption calculations noting cannabis is not a water-intensive crop. The County recognizes the information

provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-8:** The commenter provides information regarding factors that complicate area estimation and five factors that complicate the analysis of the yield. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-9:** The commenter provides information regarding the effect of legalization on average yield. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-10:** The commenter provides information on variable pertinent to yield-per-unit-area-harvested. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-11:** The commenter provides information regarding production potential per square foot harvested and production potential per square foot licensed. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-12:** The commenter provides an appendix and summary of the 2006 Leggett study of yield estimates. This comment also includes information related to Subsequent and additional Citable Sources on Indoor Yield from Toonen et. al (2006) and Vanhove (2011, 2012, 2013), and Knight (2010), . The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-13:** The commenter provides an article from the Cannabis Business Times – Measuring Yield (October 6, 2016). The commenter highlights the following text, *"from 60g/sq. ft. or more to less than 20g/sq. ft., but the average yield per square foot, during the most recent harvests, rested just about in the middle at 39.5g."*

This comment continues as the commenter provides an article 4 Ways to Measure Yield from the same publication and same date. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-14.** The commenter provides a third article from the Cannabis Business Times – Types of Lighting (October 6, 2016). A fourth article, Measuring Light is provided, also from the Cannabis Business Times (October 6, 2016). The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-15:** The commenter provides information on Cannabis Use and Growth Rates and provides information for on past user growth rates and estimated growth to the year 2060. The

County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-16:** The commenter provides information on electric use, heat-buildup and risk of crop failure. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-17:** The commenter provides information on growing techniques and preferences. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-18:** The commenter provides 2016 data and information regarding population estimates and residential energy use, where a high number of cannabis licenses have been issued and adjacent counties; information on electric use from Washington and Oregon, demand for power by end use and canopy space, variable in energy use, and energy efficiency. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further discussion is required.

**Response to Comment P-19:** The commenter provides an appendix with additional background materials from the State of Washington. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-20:** The commenter provides information regarding State CEQA Guidelines. Specifically, the commenter highlights §15140 - Writing, §15141- Page Limits, §15143 – Emphasis, §15144 – Forecasting, §15145 – Speculation, § 15146 Degree of Specificity, §15147 -Technical Detail, §15150 – Incorporation by Reference, §15151 Standards of Adequacy of an EIR, §15152 – Tiering, and §15153 Use of an EIR from an Earlier Project. These citations are noted. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-21:** The commenter provides an overview of the Los Angeles Flood Control District comparison of Program EIR to Project EIR. The information is noted. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-22:** The commenter has copied and pasted a portion of Title 14. California Code of Regulations – Article 10 Considerations in Preparing EIRs and Negative Declarations. These citations are noted. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-23:** The commenter copied two articles, one by Abbott and Kindermann - *It says it's a "Project EIR". You say it should be a "Program" EIR. Does the label even matter?* dated September 24, 2014 and *Project EIR or Program EIR? "A Rose by Any Other Name..."* dated December 7, 2014 by Andrew Sabey. The articles are noted. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-24:** The commenter provides an article from Los Angeles County Department of Public Works entitled, *What is EWWP?* The commenter highlighted text, “Why is the District Preparing and Program EIR?”, and other related headings and text. The article is noted. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-25:** The commenter provides an article by Arthur Coon entitled, *Growing Pains: First District Holds Program EIR for San Francisco’s General Plan Housing Element Amendment Complies with CEQA* dated August 27, 2018. The article is noted. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-26:** The commenter provides the 2018 CEQA Guidelines Update from January 10, 2019. The information is noted. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment P-27:** The commenter provides a table in regard to Estimated Regulatory Costs for Cannabis Production; a table entitled *Economic Impact Study: Cannabis Section in Greater Sacramento Area*.

The commenter then cites the websites consulted for the preparation of the commenter’s report.

The information is noted. This information will be provided to the County decision-makers for their review. No further response is required. No further response is required.

February 22, 2019

Nevada County Community Development Agency  
950 Maidu Avenue, Suite 170  
Nevada City, CA 95959

Attention: Brian Foss, Planning Director

E-mail: [planning@co.nevada.ca.us](mailto:planning@co.nevada.ca.us)

**Regarding: Comments on Draft EIR for Proposed Nevada County Commercial Cannabis Cultivation Ordinance Project – Part two of comments**

Submitted By:

Gary M. Baker  
Plan-aire Landscape Architects and Planners  
12373 Creek View Drive  
Grass Valley, Calif. 95949

(530) 268-3500

E-mail: [gary@plan-aire.com](mailto:gary@plan-aire.com)

Dear Community Development Department:

The following comments are provided in response to Draft EIR public comment request.

The focus of this document in the analysis of different project alternatives and comparison of these alternatives against the Original Project and the 30% Alternative discussed in the Draft EIR. There are a total of 14 alternatives examined including the Original Project and the 30% Alternative. After careful consideration of the various project sizes and impacts the preferred project was Alternative 5.

This study fairly comprehensively covers land use, project yield, employment, electric use and solar energy as well as water use. The main report is divided into 12 sections and includes an Executive Summary at the beginning of the document. An Appendix is also attached which includes a great deal of supplemental information.

Q-1

Comments for the remaining Sections of the Draft EIR will include Section 1 through Section 4.2 and Sections 6.2.2 and later Sections will follow before the February 25, 2019 cutoff date for comments.

This document's focus, in on creating solutions and how to make the project stronger and less susceptible to challenge. The work throughout is original, except for a few citations in the Appendix. It is intended to be read and is organized is a fashion where the sections are brief. Technical detail is mostly displayed in spreadsheets.

Again, I am available to review any of these alternatives with you.

Thank you for the opportunity to provide this second part of the comments for the Draft EIR.

Gary M. Baker

Grass Valley, California

Q-1  
cont'd

**Table of Contents:**

**1.0 Executive Summary**

**2.0 CEQA**

**3.0 Reviewing Alternatives**

**4.0 Summary of Current Draft EIR Concerns**

**5.0 Cannabis Use Rates:**

**6.0 Future Growth Analysis:**

**7.0 Employees Required for Cannabis Production and Trimming**

**8.0 Electric Use:**

**9.0 Solar Energy**

**10.0 Water Use**

**11.0 Ancillary Buildings**

**12.0 Brief Biography of the Author of this Report**

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cont'd

## 1.0 Executive Summary: Introduction

The existing Draft EIR is currently a big target, due to inaccuracies. Tightening it up and making it realistic will make it more defensible and reduce the impacts considerably.

Q-2

The major problem with using so many parcels in the baseline project is that the project is so large, that it becomes unrealistic. The analysis performed for the project the Draft EIR greatly underestimated the housing requirements, number of employees and the electric power use significantly. The analysis never looked at the amount of cannabis that could be grown within the project area, what effect this may have on the broader market, nor were there any discussion of what year the project would be completed and how many annual permits may be issued.

Q-3

Fundamentally, using the existing project as the basis to make decisions is basically flawed because the 27,207 parcel development could not ever be built in the first place, and when the original analysis is flawed for the project, just scaling the project down in size is still going only scale down the flawed analysis with it, unless the impacts of the project are readdressed and corrected. These concerns as well as others may subject the project to a CEQA challenge.

Q-4

Any proposed project which is reduced from the Draft EIR would be more appealing, but what is the correct project size? This document will review a total of 14 Project Alternatives including the Existing Project and the 30% Alternative project. The analysis will compare:

- Number of Permits Segmented by Canopy Size
- Size of Canopy, Total Production Area and Total Project Yield
- % of Production for Each Cultivation Type
- Number of Employees, Cultivation and Trimming (Indirect employees add about 2.5 employees in other sectors for every cannabis cultivation employee)
- Water Use, Electric and Renewable Energy Use (Solar Panels)
- Total Disturbed Area
- Market Share Based on 2060 Projections
- Permit Allocations for RA-Rural zone

Q-5

**The Following Table Summarizes the Results of the Alternatives Examined:**

## Executive Summary of Alternative Projects

| February 21, 2019 by: Plan-aire.com |                                                 |                    |                    |                           |                     |                          |                       |                    |                      |                      |                          |                     |                    |                                    |
|-------------------------------------|-------------------------------------------------|--------------------|--------------------|---------------------------|---------------------|--------------------------|-----------------------|--------------------|----------------------|----------------------|--------------------------|---------------------|--------------------|------------------------------------|
| Study No.                           | Name of Project Alternative                     | Number of Permits  |                    |                           |                     |                          | % of Production       |                    |                      |                      |                          | Permit Allocations  |                    | Project Size Compared to Draft EIR |
|                                     |                                                 | Total Permits      | 500 SF Indoor Only | Permits 2,500 SF          | Permits 5,000 SF    | Permits 10,000 SF        | % Indoor 500 SF       | % Indoor           | % Mixed-light Tier 1 | % Mixed-light Tier 2 | % Outdoor                | Permits AE, AE & FR | Permits RA-Rural   |                                    |
| No. 1                               | Original Project as Shown in Draft EIR          | 27,207             | 6,836              | 8,228                     | 5,698               | 6,445                    | 3.73%                 | 41.26%             | 0.00%                | 41.26%               | 13.75%                   | 27,207              | -                  | 100.0%                             |
| No. 2                               | 30% Project Alternative                         | 8,162              | 2,051              | 2,468                     | 1,709               | 1,934                    | 3.73%                 | 41.26%             | 0.00%                | 41.26%               | 13.75%                   | 8,162               | -                  | 30.0%                              |
| No. 3                               | Alternative 1A (33% Indoor, Mixed & Outdoor)    | 7,000              | 1,945              | 2,437                     | 1,206               | 1,412                    | 4.55%                 | 40.91%             | 0.00%                | 40.91%               | 13.64%                   | 3,902               | 3,098              | 25.7%                              |
| No. 4                               | Alternative 1B (Reduce 500 SF Sites - 33% Mix)  | 7,000              | 1,050              | 2,100                     | 1,750               | 2,100                    | 1.89%                 | 42.05%             | 0.00%                | 42.05%               | 14.02%                   | 4,733               | 2,267              | 25.7%                              |
| No. 5                               | Alternative 1C (55% Outdoor - Increased Indoor) | 7,000              | 210                | 1,190                     | 2,100               | 3,500                    | 0.43%                 | 19.91%             | 0.00%                | 52.27%               | 27.38%                   | 5,882               | 1,118              | 25.7%                              |
| No. 6                               | Alternative 1D (55% Outdoor - Increase Indoor)  | 7,000              | 210                | 1,190                     | 2,800               | 2,800                    | 0.46%                 | 19.91%             | 0.00%                | 52.26%               | 27.37%                   | 5,879               | 1,121              | 25.7%                              |
| No. 7                               | Alternative 1E (55% Outdoor-Add Mixed-light 1)  | 7,000              | 210                | 1,190                     | 2,800               | 2,800                    | 0.45%                 | 19.09%             | 34.09%               | 16.37%               | 30.00%                   | 5,879               | 1,121              | 25.7%                              |
| No. 8                               | Alternative 1F (Add Mixed-light 1, Indoor 3.5)  | 7,000              | 210                | 1,490                     | 2,650               | 2,650                    | 0.46%                 | 19.09%             | 34.09%               | 16.36%               | 30.00%                   | 5,694               | 1,306              | 25.7%                              |
| No. 9                               | Alternative 2A (5,250 Permits - 55% Outdoor)    | 5,250              | 785                | 1,575                     | 1,315               | 1,575                    | 2.79%                 | 18.64%             | 33.29%               | 15.98%               | 29.30%                   | 3,552               | 1,698              | 19.3%                              |
| No. 10                              | Alternative 2B (5,250 Permits - 60% Outdoor)    | 5,250              | 785                | 1,575                     | 1,315               | 1,575                    | 2.90%                 | 19.42%             | 27.74%               | 16.65%               | 33.29%                   | 3,552               | 1,698              | 19.3%                              |
| No. 11                              | Alternative 3A (5,000 Permits - 60% Outdoor)    | 5,000              | 250                | 1,500                     | 1,800               | 1,450                    | 0.91%                 | 19.82%             | 28.31%               | 16.99%               | 33.97%                   | 3,728               | 1,272              | 18.4%                              |
| No. 12                              | Alternative 4A (4,000 Permits - 60% Outdoor)    | 4,000              | 200                | 1,000                     | 1,500               | 1,300                    | 0.86%                 | 19.83%             | 28.33%               | 17.00%               | 33.99%                   | 3,106               | 894                | 14.7%                              |
| No. 13                              | Alternative 4B (4,000 Permits - 70% Outdoor)    | 4,000              | 100                | 800                       | 1,600               | 1,500                    | 0.45%                 | 11.13%             | 19.08%               | 24.81%               | 44.53%                   | 3,299               | 701                | 14.7%                              |
| No. 14                              | Alternative 5 (4,250 Permits - 70% Outdoor)     | 4,250              | 150                | 1,000                     | 1,600               | 1,500                    | 0.65%                 | 11.11%             | 19.04%               | 24.76%               | 44.44%                   | 3,568               | 682                | 15.6%                              |
| Study No.                           | Name of Project Alternative                     | Canopy             |                    | Production & Market Share |                     |                          | Employees             |                    |                      |                      | Water                    | Electric            | Solar              | Disturbed Area                     |
|                                     |                                                 | Total Acres Canopy | Total SF Canopy    | Total SF Production       | Net Saleable Pounds | % of Market Share (2060) | Cultivation Employees | Trimming Employees | Total Employees      | Employees Per Site   | Total Water Use Ac. Feet | Use Megawatts       | Solar Panels (40%) | Total Disturbed Area in Acres      |
| No. 1                               | Original Project as Shown in Draft EIR          | 2,684.3            | 116,928,000        | 275,110,667               | 13,167,069          | 791.5%                   | 38,152                | 45,144             | 83,296               | 3.06                 | 3,875.45                 | 8,456,089           | 5,885,363          | 8,110.32                           |
| No. 2                               | 30% Project Alternative                         | 805.3              | 35,080,500         | 82,538,167                | 3,950,358           | 237.5%                   | 11,446                | 13,544             | 24,990               | 3.06                 | 1,162.71                 | 2,536,981           | 1,765,716          | 2,433.24                           |
| No. 3                               | Alternative 1A (33% Indoor, Mixed & Outdoor)    | 501.9              | 21,864,286         | 64,150,000                | 3,070,282           | 184.6%                   | 9,255                 | 10,527             | 19,782               | 2.83                 | 902.01                   | 1,980,277           | 1,378,255          | 1,891.08                           |
| No. 4                               | Alternative 1B (Reduce 500 SF Sites - 33% Mix)  | 705.4              | 30,729,395         | 83,241,667                | 3,984,029           | 239.5%                   | 10,996                | 13,660             | 24,655               | 3.52                 | 1,177.44                 | 2,533,953           | 1,763,608          | 2,454.22                           |
| No. 5                               | Alternative 1C (Mix 33% Outdoor - More 10,000)  | 1,034.4            | 45,060,445         | 97,370,000                | 4,660,225           | 280.1%                   | 11,604                | 15,978             | 27,582               | 3.94                 | 1,610.13                 | 1,972,549           | 1,372,876          | 2,937.79                           |
| No. 6                               | Alternative 1D (Mix 55% Outdoor - More 10,000)  | 956.2              | 41,653,998         | 90,370,000                | 4,325,198           | 260.0%                   | 11,001                | 14,829             | 25,830               | 3.69                 | 1,494.13                 | 1,831,179           | 1,274,484          | 2,726.34                           |
| No. 7                               | Alternative 1E (55% Outdoor-Add Mixed-light 1)  | 956.2              | 41,653,998         | 82,446,875                | 3,945,989           | 237.2%                   | 10,401                | 13,529             | 23,930               | 3.42                 | 1,494.13                 | 1,389,300           | 966,940            | 2,602.49                           |
| No. 8                               | Alternative 1F (Add Mixed-light 1, Indoor 3.5)  | 912.3              | 39,741,581         | 79,709,375                | 3,814,970           | 229.3%                   | 10,172                | 13,080             | 23,252               | 3.32                 | 1,444.41                 | 1,343,450           | 935,029            | 2,516.00                           |
| No. 9                               | Alternative 2A (5,250 Permits - 55% Outdoor)    | 529.4              | 23,058,747         | 49,302,813                | 2,359,681           | 141.8%                   | 6,663                 | 8,090              | 14,753               | 2.81                 | 883.45                   | 857,236             | 596,628            | 1,548.83                           |
| No. 10                              | Alternative 2B (5,250 Permits - 60% Outdoor)    | 529.4              | 23,058,747         | 47,333,125                | 2,265,410           | 136.2%                   | 6,459                 | 7,767              | 14,226               | 2.71                 | 883.45                   | 830,710             | 578,167            | 1,541.40                           |
| No. 11                              | Alternative 3A (5,000 Permits - 60% Outdoor)    | 552.0              | 24,046,338         | 48,125,000                | 2,303,310           | 138.5%                   | 6,460                 | 7,897              | 14,357               | 2.87                 | 907.32                   | 822,764             | 572,636            | 1,574.52                           |
| No. 12                              | Alternative 4A (4,000 Permits - 60% Outdoor)    | 475.4              | 20,706,669         | 40,600,000                | 1,943,156           | 116.8%                   | 5,350                 | 6,662              | 12,012               | 3.00                 | 765.63                   | 693,679             | 482,794            | 1,328.47                           |
| No. 13                              | Alternative 4B (4,000 Permits - 70% Outdoor)    | 526.5              | 22,936,267         | 39,300,000                | 1,880,937           | 113.1%                   | 5,253                 | 6,449              | 11,702               | 2.93                 | 830.26                   | 584,451             | 406,773            | 1,393.59                           |
| No. 14                              | Alternative 5 (4,250 Permits - 70% Outdoor)     | 539.8              | 23,511,974         | 40,170,000                | 1,922,576           | 115.6%                   | 5,432                 | 6,592              | 12,024               | 2.83                 | 847.66                   | 599,471             | 417,227            | 1,423.57                           |

Note: Study No. 1 – (Original Project in Draft EIR), is the largest and has the most impacts. Study No. 14 (Alternative 5) is about the smallest and is maybe the most workable to meet the majority of the needs as outlined for the basic objectives of the project. These include: Converting the unlicensed cultivation sites into permitted facilities, allowing adequate size of operations, keep production amounts consistent with market demands, adequate permit supply for next 10 years and allow for a small number of permits in RA-Rural zone. Significant energy and water reductions, inclusion of renewable energy, reduction in employees and a reduction in the total site disturbance area are also realized. (See the following pages for details of calculations for each Alternative presented)

## Introduction Continued

As mentioned the project size was probably incorrect to begin with and arbitrarily making adjustments to make the project size smaller by using an alternative project, may not meet all of the projects objectives. Also, it would not realistically analyze an alternative project which may include some additional lots in another zoning area, because the attitude would be to look at any areas of reduction of the project size and not consider viable additions to the project scope. There is no requirement in CEQA to examine a “worst case scenario” project. A project is put forward which defines the size, location and type of project, similar to a new land development project.

Q-6

The EIR is intended to look to the future; but how far out into the future is practical to examine, or differently stated, what is the buildout timeframe for the project? Is 40 years the right number, or should it be 50, 60 or 100 years. Over the past 50 years of cannabis cultivation in Nevada County, about 70 new cultivation sites were developed on average which has produced the approximately 3,500 cultivation sites that exist today. As previously pointed out in other comments, to reach the 27,207 cultivation sites as shown in the Draft EIR, using the historic average of 70 cultivation sites per year being licensed, would require 388 years to build out the project.

## Using a Different Baseline Project

Another approach is to change the original project description and define a new project to only include parcels with existing residences in the project area. This would reduce the project size by about half the original. Since only a fraction of parcels identified in the project area will ever apply for cannabis cultivation licenses, do too many factors which include: property line setbacks, cost of permits, licenses and construction costs, as well as the fact that less than 25% of adults even use cannabis, and these are presumably the only property owners who would even consider cultivation. Also, since these are commercial operations, not every landowner may desire to set up a highly regulated business on their property. In the AG, AE and FR zones there are 12,666 parcels with existing residences (46.55% of parcels have residences), so 14,541 residences need to be built for there to be a residence on every one of the 27,207 parcels analyzed in the Draft EIR. In the RA-Rural zone, there are 2,524 parcels with residences (44.34% of parcels have residences) and a total number of 5,693 parcels.

Q-7

Most EIR's have a viability of maybe 10 to 15 years, sometimes 20 years as conditions change. The General Plan is updated every 10 years and the housing element even more frequently. So is it reasonable to describe a project based a “worst case” scenario where every single parcel in the county inventory, in only the AG, AE and FR zones, is built out

Q-8

to 100% of the maximum size allowable for commercial cannabis cultivation? Also, what if the county wanted to increase the cultivation size from 10,000 square feet to 22,000 square feet or even an acre of cultivation, how would any upward adjustment of canopy area be considered? Under the existing State Licensing Program, a Medium Indoor or Mixed-light licensed facility could be up to 22,000 square feet under the Medium License Category, and a Medium Outdoor licensed facility is limited to 43,560 square feet. These limits will be removed in the year 2023 as written in the current Statewide Cannabis Regulations, unless the State Legislature amends the program.

Q-8  
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The baseline analysis in the Draft EIR included 27,207 parcels located in the AG, AE and FR zones. The RA Alternative Project included an additional 20,833 parcels of which about 75% were less than 5 acres as stated in the write-up in the EIR. In the total RA zone areas of the county, the only parcels that are comparable to the AG parcels are those located in the RA-Rural zone. There was no separate figure provided in the EIR as to the total number of RA-Rural properties in the county within the draft EIR so a figure was calculated based on other data obtained.

Q-9

### **Advantages for Simplifying the Project**

Clearly one approach to reconcile the total project size is to revise the baseline conditions contained in the EIR and readdress the impacts of a smaller project, such as only including parcels with existing residences. This may be the simplest or best option, to create a new baseline for developing the project's impacts. The current project baseline is not realistic for many reasons, including: total cannabis yield of the project, the number of employees and housing units required to support the 27,207 parcel project, the amount of energy required to support the project, the total size of the development footprint which includes the canopy area, the drying and processing areas as well as the solar panel footprint required to meet the renewable energy requirements. And fundamentally the impacts associated with the construction of over 14,500 residences which are required to achieve full project implementation. At least if a parcel had an existing residence, there is some likelihood of the parcel developing commercial cannabis facility.

Q-10

Changing the project description would most likely involve recirculating the Draft EIR for comment. Even if the original project baseline were kept, there are substantial revisions that must be made to the document to both fully address all of the projects impacts as well as address the subsequent environmental review process for individual projects, so there can be a Final EIR for every project developed.

Q-11

Any of these approaches are require time to complete, and the current schedule as contemplated does not appear to be adequate to fully address all of the issues. Slapping

Q-12

a few band-aides on the Draft EIR is probably not going to resolve some fundamental issues. Time can be spent now preparing an adequate document for the intended purposes, or a lot more time can be spent later trying to defend the document and then making corrections and revisions.

Q-12  
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### Delays for Local Cultivators

Any delay in the project schedule may have an impact on local cultivators who want to proceed with their state license applications before June of this year to enable them to legally plant their gardens for the season. However the reality is the state has only issued 9 annual licenses to date and not one single provisional license. Some applicants for state licenses have been in the annual license process for seven months and have found they are only at step two of a nine step process. It does not appear feasible, based on current information, where any applicant who submits in May is going to receive either a Provisional or Annual license by June.

Q-13

Temporary Licenses issued by the state are still valid and if Nevada County were to allow commercial cultivation under the State's Temporary License program, at least the 121 Temporary Licenses holders could proceed in June of this year with their existing licenses after gaining local approval.

Q-14

Another alternative is to develop a new interim ordinance which would allow a certain number of parcels to proceed with applications for Provisional licenses. A Provisional license is the same as an Annual license at the state level with the exception that it is provisional until an EIR is adopted by the local agency.

Q-15

This program may entail the following steps:

### **Phase 1: Develop an Interim Ordinance - Allow the Current Temporary License Holders (121 licenses) to Proceed with a State Provisional License (Total up to 350 Permits) until the Final EIR is Adopted**

It appears reasonable that allowing these 230 + 121 cultivation projects to proceed with some level of temporary program under CEQA, because there are already 3,500 cultivation sites and this little project would just be converting some existing sites into permitted sites. There should be no net impact for this level of project. This would provide an immediate path for potential commercial cannabis cultivators who have already obtained a local and state Temporary License or those that are ready to apply to the state for a cultivation license, to submit for a State Provisional License. Many counties are

Q-16

allowing the processing of applications for local project approval while the EIR process is proceeding and before the adoption of a Final EIR. The State Provisional License program was developed to accommodate this exact process.

Since adopting the final cultivation ordinance without adopting the EIR as currently written for 27,207 parcels would prove to be difficult path. But enough is currently known of the potential impacts of cannabis cultivation and the draft ordinance could be adopted with some modifications to include some of the mitigation measures suggested in the draft EIR especially those regarding impact fees. If the draft ordinance cannot be adopted without the EIR, perhaps a new emergency ordinance could be used in the interim until the project EIR was revised, hearings conducted and submitted to the state for certification.

This would allow for the application and review process to begin for applicants who are ready, which may only involve only the 121 who have obtained Temporary Sate Licenses in the county plus maybe 80, 100 or up to 250 more applicants who either missed the cutoff window for the State Temporary License Program which expired on December 1, 2018 or who are now ready to submit for permits. This would total at the most about 371 permits for the interim period until the Final EIR is adopted. Again, most of these applicants are converting from existing unregulated cultivation activities to licensed facilities, so there would be minimal net growth on the 3,500 existing cultivation sites which are already included in the existing project baseline condition.

By approving the application process to allow for a small number of Provisional Cultivation Licenses to begin, without completing the EIR, the community and county could be better served by allowing some additional time to make substantial revisions to the EIR. Both the Board of Supervisors and the community would not be rushed to make decisions because of pressures from the cultivating community to obtain permits for this growing season.

The community would be better served with a “real” project description as the starting point for evaluation and a much improved final result could be expected by restating the project size as the baseline, rather than putting band aides on a poor initial project assumption, calling it “the worst case scenario” which was used as the basis for this Draft EIR.

## **Phase 2: Revise the Project Description Shown in the Draft EIR:**

The citizens of Nevada County voted to allow for outdoor cultivation of cannabis which has led to the licensing of commercial cultivation of cannabis on certain parcels with a canopy size limit based on parcel size. Where the cannabis could be produced has led to

Q-16  
cont'd

Q-17

a few selected zoning designations and excluded others in the baseline project. The existing 3,500 cultivation sites are located on more types of zoning than is included in the project description which only included the AG, AE and FR zones and at RA zones as an Alternative Project. The RA zone includes RA-Residential, RA-Estate and RA-Rural zoning designations. Both the RA-Residential and RA-Estate parcels are more residential than rural in use, while the RA-Rural zoned parcels are more rural and according to the general plan descriptions for this zone, agriculture is of equal importance as residential. The RA-Rural zones are also the most similar to the AG zoned parcels. RA-Rural areas which meet the same setbacks and minimum lot sizes as the AG, AE and FR zones should be included in the project.

Q-17  
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One of the stated projects goals is to provide a path for existing cannabis cultivations to convert to the regulated cannabis cultivation requirements and obtain permits and licenses for their operations. The 3,500 existing cultivation sites should be the first priority and considering that cannabis cultivation has a long history in Nevada County and cultivation sites have increase by about 70 sites per year for the past 50 years. Since 70 new sites per year were used as the historic average this may be a reasonable number. Not all 3,500 existing cultivation are in the AG, AE, FR and RA-Rural zones, and some parcels may not meet the setback requirements or the numerous other project requirements contained in both local and state regulations. In addition, the high cost of permitting and developing a licensed commercial cannabis operation is may not be attractive to all existing cultivators and not all of the existing cultivation sites may want to participate in the licensed and regulated market.

Q-18

If the 3,500 permits were issued at a rate of 350 permits per year (about one new permit a day), it would require 10 years to issue these initial permits. If another 350 permits were issued in the following 10 years, there would have been a maximum of 7,000 cultivation sites over a 20 year time frame. (Project Alternatives 1A though 1F have considered these 7,000 permits, but based on other analysis this was not the preferred project size). This is probably the maximum amount of time that the Program EIR would be considered valid. This is one of the Alternative Projects discussed below. After the first 10 years the project could be reevaluated and depending on how many permits were actually issued in that time frame, the EIR could be updated. Updating an EIR is far easier than writing a new document from scratch.

Q-19

Q-20

The value of this proposal is that it is reasonable in size, accommodates the existing cultivators, and allows for growth and does not place a lot of pressure on the county by speculators who want to capitalize of the local resources, and low cannabis tax rates.

Q-21

Another option to consider reducing the project size is to reduce the overall footprint of the canopy. The current canopy area as discussed in the Draft EIR for the 27,207 parcel

Q-22

project is 2,684.30 acres (116,928,000 square feet) this is separated into four categories as shown in the following table:

Q-22  
cont'd

### Summary of Parcels and Canopy Square Footage for Original Project

| Project Area by Parcel Size       | Number of<br>Parcels | Canopy in<br>Square Feet | Total Square<br>Feet of Canopy | Area in Acres |
|-----------------------------------|----------------------|--------------------------|--------------------------------|---------------|
|                                   |                      |                          |                                | 43,560        |
| AG, AE, FR Parcels 2 to 5 acres   | 6,836                | 500                      | 3,418,000                      | 78.47         |
| AG, AE, FR Parcels 5 to 10 acres  | 8,228                | 2,500                    | 20,570,000                     | 472.22        |
| AG, AE, FR Parcels 10 to 20 acres | 5,698                | 5,000                    | 28,490,000                     | 654.04        |
| AG, AE, FR Parcels over 20 acres  | 6,445                | 10,000                   | 64,450,000                     | 1,479.57      |
| Project Totals                    | 27,207               |                          | 116,928,000                    | 2,684.30      |

Q-23

An arbitrary reduction to say 800 acres, which is about 30% of the original project size, does not provide enough information to determine the number of parcels, size of the canopies, type of operation, or the number of employees for the project. But this figure could be used for a comparison between other project alternatives.

### Brief Discussion on Including RA-Rural in the Baseline Project Description

One of the arguments presented against the RA-Rural parcels is that are in residential neighborhoods. On parcels of 2 to 5 acres in size, only 500 square feet of cultivation is allowed and the cultivation must be placed indoors where air filtering is commonly employed. This is the size of a large 2 car garage which considering even the smallest parcel size of 2 acres is fairly insignificant. Small indoor facilities built to meet all code and licensing requirements are very expensive to build and operate, and on a cost per square foot basis would be very expensive to produce commercial cannabis which could compete with the wholesale pricing of even a comparable 2,500 square foot facility. There may be a few of these operations constructed and permitted, but this is a poor size of canopy given the competition of the much larger cultivations proposed both in the county as well as the much larger sized operations in other portions of the state.

Q-24

There are 2,278 parcels (1,010 with residences) in the 2 to 5 acre category which represent about 40.0% of the total number of parcels in the RA-Rural zone. Based on extensive analysis, these 500 square foot sites would employ on average 0.799 full time workers which include both cultivation and trimming. In Alternative 5, there are a total of 75 permits assigned to the parcel size in the RA-Rural zone.

Q-25

The 5 to 10 acre parcels would allow for 2,500 square feet of commercial cannabis cultivation and must abide by the same setbacks as parcels over 10 acres in size. There are a total 2,686 parcels of this size (1,191 with residences) and they represent about 47.2% of all of the parcels in the RA-Rural zone. These sites would employ on average 1.41 full time workers. In Alternative 5, there are 500 total permits assigned to this parcel size in the RA-Rural zone.

In the 10 to acre sized parcels, which would allow up to 5,000 square feet of commercial cannabis there are 336 parcels (149 with residences) which represent about 5.9% of the total parcels in the RA-Rural zone. These sites would employ 2.38 full time workers. In Alternative 5 there are 59 permits assigned to this parcel size in the RA-Rural zone.

The 20 acre and larger category contains 393 parcels (174 with residences) and represents 6.9% of the parcels. These sites would employ 4.11 full time workers. In Alternative 5 there are 48 permits assigned to this parcel size in the RA-Rural zone.

Given that 60% of the parcels are 5 acres or larger in the RA-Rural zone and that 5 acre parcel sizes could hardly be called residential neighborhoods, it is important to consider the benefits of including these parcels in the evaluation. The smaller parcel size of 2 to 5 acres just does not make much sense whether they are in the RA-Rural zone or the AG, AE or FR zones. These are more likely hobby farms. Considering that only 29 of this type of license (Specialty Cottage Indoor) was issued by the state as of June 7, 2018 out of a total of 3,897 Temporary Licenses (June 7, 2018 figures) which was 0.74% of all Temporary licenses issued as of that date, should provide some insight of the popularity of this canopy size.

Considering the inclusion of the RA-Rural parcels in the cannabis cultivation regulations makes some practical sense, since many of these parcels on the larger lots (5 acres or larger) are already growing cannabis. By allowing these parcels to convert into licensed and regulated facilities would meet one of the overall project's prime objectives of eliminating unregulated cannabis cultivation in the county. An additional consideration is the RA-Rural properties are closer to existing infrastructure, compared to the many AG, AE and FR zoned parcels which are remote and require may require extensive roads and power line extensions to build both residences and commercial cultivation facilities. For respecting residential neighborhoods, if 5 acre or larger RA-Rural parcels were adjacent to an existing master planned community like Lake Wildwood, Alta Sierra, Lake of the Pines or a city boundary, the setback could be increased for these parcels like those used for schools and other sensitive sites.

Q-26

## Key Ares of Environmental Review

The Draft EIR includes detailed work on many elements including: visual (aesthetics, light and glare), air quality, biology and cultural resources, soils and geology, mineral resources, agricultural and forestry resources, hazards and hazardous materials, land use, noise, public service and recreation. Most of these areas are tied to the disturbed area of the project or the size of the canopy. As the project size changes and the disturbed areas are increased or reduced the impacts of the project are fairly scalable to the overall footprint of the project. The sizes of canopy are fixed and based on lot size and by reducing the number of parcels the impacts can be readily calculated.

Q-27

Hydrology and water resources, and utilities and service systems along with energy are of significance for the project as they consume resources. Calculations for the water use and energy use are related to the size and type of cultivation and the number of cultivations which would occur on a given site in a single year. Determining the projects impact on population, housing and transportation and traffic, requires that the number of workers (full time or part time) required to fully staff the project, be established.

Calculating the total project's workforce demand requires the understanding of how many workers (full time) are required for the cultivation and management of the cultivation facility, plus how many workers are required (again full time) to trim the product being produced. The number of cultivation workers are determined based on the size of the facility, the type of operation (Outdoor, Mixed-light or Indoor) and how many grow cycles are used in a given year. The number of trimming employees required is based on the quantity of cannabis produced, which requires understand the yield for each grow cycle and how many grow cycles are performed each year on the site.

Q-28

The environmental impacts of 7,000 parcels, 5,250 parcels or a 4,250 parcel project would be considerable less than the 27,207 parcels addressed in the Draft EIR. In addition, the 3,500 existing cultivation sites in the county were already considered as part of the project baseline in the Draft EIR.

Q-29

An alternative which was considered in the Draft EIR was the Thirty Percent Commercial Cannabis Cultivation Alternative (30% Alternative) project which included 8,162 parcels or 30% of the original project size and will be discussed in the analysis below and used for comparative purposes.

Q-30

There are four basic ways to look at reducing project size, and the 30% Alternative project started with the total original project size of 27,207 parcels and used 30% of those parcels for evaluation. In the first 7,000 parcel project called Alternative 1A, the project was size was reduced in a similar manner, meaning that the project was reduced in size reducing the total number of parcels to 7,000 across the board. The second way of looking at a reduced parcel size project is to distribute the permits to the parcels which would most

likely be developed, based on the canopy size. There is data available which shows the distribution of licenses by canopy size and type of cultivation issued by the state for the temporary license program. This will be discussed further in this analysis. Project 1B includes 7,000 total parcels distributed into the different canopy size parcels and cultivation types and does not use just the overall parcel count. Alternative 2 uses 5,250 parcels and uses the same approach as Alternative 1B for distributing the permits. Alternative 3 uses 5,000 permits and uses the same distribution of permits between the various parcels sizes as shown in Alternative 1B and Alternative 2. Alternatives 4 and 5 are slightly different and both place higher emphasis on the larger parcels.

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As a practical point for comparison, the State of Colorado had had about 750 Medical cultivation licenses and about 725 Recreational cultivation licenses which were active as of January 2018. These 1,475 licenses were dispersed throughout the state, where most consider being the most mature cannabis market in the country. The population in Colorado is about 5,695,500 and compared to California with about 40,000,000 it is just a fraction in size, about 14.24%. If a similar ratio of cannabis license were used in California, about 10,360 licenses would need to be used. Colorado does have a much higher use rate for cannabis about 23% in 2016 compared to 16.5% for California. So assuming the California use rate does not increase over the 2016 levels, California could support about 7,432 licenses currently to meet legal demand based on these calculations.

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(In the California State Temporary License Program there are currently 5,996 active licenses as February 9, 2019, and these licenses were issued for free).

The project is not looking at 2016 production demands but rather what the demand for cannabis would be estimated at in the year 2060. There is significant growth expected in cannabis use as can be seen in the growth already experienced from 2016 to 2018 and the additional growth expected in 2021. All of the alternatives explored have looked at varies project sizes and mixes between the cultivation types and based on a number of considerations, which will be explored in detail in the remainder of this study, one alternative was selected as the preferred alternative.

### Analyzing Project Alternatives

In analyzing various alternatives, there was always some trade-offs between trying to find a balance between the small indoor cultivations and the larger cultivation sites because the more smaller sites allowed for more permits in the total. When examining closer the actual distribution between permit sizes that were issued by the state however, the larger size permits dominated the actual permits issued. Also it was important to allocate between types of cultivation which were predominate in Nevada County which are the

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outdoor cultivation sites. The favored alternative provided a balance between sizes of sites fairly consistent with the number of parcels of each size. The 500 square foot size was not popular at the state level and was reduced in Alternative 5 significantly in relation to the number of parcels in the 2 to 5 acre range. There is no indication that the 500 square foot indoor operations would be economical to construct and operate compared to the other parcels sizes. While including a large number of 5,000 and 10,000 square foot size operations increased the overall footprint of the project, they represent the largest demand of the state permits issued.

The information is important in order to determine an adequate mix between the license types as well as the lot sizes. Assuming that each type of license, indoor, mixed-light and outdoor would each have one third of the licenses does not match actual conditions based on the information above. Since the majority of licenses have been issued for 10,000 canopy size in this analysis, which would require 20 acre or larger parcels in Nevada County and the next largest category which is the 5,000 square foot canopy size, which requires 10 to 20 acres in the county, should have more permits available than the 2,500 square foot canopy size which require 5 to 10 acres. The smallest size canopy of 500 square feet which could be placed on 2 to 5 acre lots clearly has the smallest demand based on the number of permits the state has issued.

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### **Determining the Project Size**

Based on the number of parcels and canopy size and determining the cultivation mix between indoor, mixed-light and outdoor types of operations, an approximate yield of cannabis can be calculated. The yield is important for determining the number of trimming employees as well as assessing the projects saleable product and comparing that to the state demand for cannabis. Other potential impacts of the project can also be determined once the number of parcels, canopy size and number of employees are determined including; Traffic, Housing and Employment, Water Use and Energy Use. Traffic and housing have not been included in this analysis but they can be readily examined once the number of employees is determined. One of the most critical pieces of information is estimating the future cannabis market, the market share Nevada County can expect to capture and the potential impacts of overproduction for the legal cannabis market.

In the following sections of this study, project yield will be discussed along with determining cannabis use for the 21 and older population, as well as estimating the future demand for cannabis in California along with determining a market share. This is a lengthy discussion and covers many aspects not readily available in other publications.

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## Alternative 5 – The Preferred Project

Alternative 5 contains 4,250 permits with 150 allocated to the 500 square foot indoor cultivation size on 2 to 5 acre parcels, 1,000 permits allocated to the 2,500 square foot canopy on 5 to 10 acre sites, 1,600 permits allocated to the 5,000 square foot canopy on the 10 to 20 acre sites and 1,500 permits allocated to the 10,000 square foot canopy on 20 acre and larger sites. In Alternative 5, 3,568 permits were distributed to the AE, AG and FR zones and 682 to the RA-Rural zone. In the Original Project there were no permits distributed to the RA-Rural zone. The Original Project contained 27,207 permits.

On the 2,500, 5,000 and 10,000 square foot canopies, 5% were assigned to indoor cultivation, 12% to mixed-light 1, 13% to mixed-light 2 and 70% to outdoor cultivation. The 500 square foot canopy could only be indoors per the Draft Ordinance. Compared to the Original Project where 33.33% was used for the allocation between the indoor, mixed-light and outdoor cultivation.

The total number of employees for Alternative 5 was 12,024 (2.83 per site) compared to 83,296 (3.06 per site) for the Original Project. Water use was estimated at 848 acre feet for Alternative 5 compared to 3,875 acre feet in the Original Project. Electric use for Alternative 5 was estimated at 599,491 Megawatts compared to 8,456,089 Megawatts for the Original Project. The use of solar energy was not included in the Original Project, but to meet the 40% renewable energy requirement (soon to be 45% and then 50%), the Alternative 5 project required 417,227 350W solar panels, compared to 5,885,363 which would be needed for the Original Project.

The total disturbed area in Alternative 5 was calculated at 1,423 acres which included 587 acres of canopy, 551 acres of accessory structures (see description below in Original Project), 117 acres of site work outside of the canopy area, and 168 acres for solar panels.

The total disturbed area in the Original Project was 8,110 acres which included 2,684 acres of canopy, 2,519 acres for accessory structures; drying and processing areas as well as immature plant area. (This was calculated based on about 93% of the overall canopy required for support structures, drying and processing, the Draft EIR called for 25%). Site work estimated at 20% of the canopy, 536 acres and area covered by solar panels estimated at 2,370 acres.

Total net production was within 15% of the target market share for the year 2060 compared to the original project which was estimated at almost 800% of the estimated Nevada County market share for 2060. The following pages show the details of the Alternative 5 Project and the Original Project for comparison. Details for the 30% Alternative and the other alternatives examined are included in the Appendix.

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| Alternative 5 (4,250 Permits - 70% Outdoor)                               |                 |                 |                      |                           |             | Page 1 of 2              |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
|---------------------------------------------------------------------------|-----------------|-----------------|----------------------|---------------------------|-------------|--------------------------|---------------------------|-------------------------------------------------|----------------------|---------------------------|-------------------|-------------------------|---------------------------|---------------------------|--------------------------------------|-------------------------------------|--|-------------|----------|--|
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 |                 |                      |                           |             | Land Information         |                           |                                                 |                      |                           |                   | Canopy Information      |                           |                           |                                      | 43,560                              |  | AE, AG & FR | RA-Rural |  |
| Rural Zoning District (GP Designation)                                    | 2 to 4.99 acres | 5 to 9.99 acres | 10 acres to 20 acres | Over 20 Acres             | Total       | Maximum Canopy           | AE, AG & FR Parcels       | RA-Rural Parcels                                | AE,AG,FR & RA-Rural  | Total acres of Canopy     | % of Total Canopy | Avg. Canopy SF per Res. | Avg. Canopy SF per Res.   | Total Project Quick Facts |                                      |                                     |  |             |          |  |
| Maximum Canopy                                                            | 500 SF          | 2,500 SF        | 5,000 SF             | 10,000 SF                 |             | 2 to 5 acres             | 75                        | 75                                              | 150                  |                           |                   | -                       | 37                        | Total Employees           |                                      |                                     |  |             |          |  |
| Permit Allocation                                                         | 4%              | 24%             | 38%                  | 35%                       | 100%        | 500 SF                   | -                         | 37500                                           | 37,500               | 0.9                       | 0.16%             |                         |                           | 12,024                    |                                      |                                     |  |             |          |  |
| Total Cultivation Permits                                                 | 150             | 1,000           | 1,600                | 1,500                     | 4,250       | 5 to 10 acres            | 500                       | 500                                             | 1,000                |                           |                   | -                       | 1,050                     | Electric Use MWh          |                                      |                                     |  |             |          |  |
| AE, AG and FR Parcels with Residences                                     | 1,381           | 1,830           | 4,097                | 5,358                     | 12,666      | 2,500 SF                 | -                         | 1250000                                         | 1,250,000            | 28.7                      | 5.32%             |                         |                           | 599,471                   |                                      |                                     |  |             |          |  |
| % of AE, AG, & FR Parcels with Residences to Total Number of Parcels      | 5.08%           | 6.73%           | 15.06%               | 19.69%                    | 46.55%      | 10 to 20 acres           | 1,541                     | 59                                              | 1,600                |                           |                   | 1,808                   | 1,953                     | Solar Panels/40%          |                                      |                                     |  |             |          |  |
| % of AE, AG, & FR Parcels with Res. to Total Parcels w/ Res.              | 10.90%          | 14.45%          | 32.35%               | 42.30%                    | 100%        | 5,000 SF                 | 7,406,395                 | 296802.5384                                     | 7,703,197            | 176.8                     | 32.76%            |                         |                           | 417,227                   |                                      |                                     |  |             |          |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228           | 5,698                | 6,445                     | 27,207      | Over 20 acres            | 1,452                     | 48                                              | 1,500                |                           |                   | 2,621                   | 2,800                     | Water - Acre Feet         |                                      |                                     |  |             |          |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%          | 20.94%               | 23.69%                    | 100.00%     | 10,000 SF                | 14,042,553                | 478723.4043                                     | 14,521,277           | 333                       | 61.76%            |                         |                           | 847.66                    |                                      |                                     |  |             |          |  |
| Total AE, AG and FR Zoned Parcels                                         | 6,836           | 8,228           | 5,698                | 6,445                     | 27,207      | Total Canopy             | 21,448,948                | 2,063,026                                       | 23,511,974           | 539.8                     | 100.00%           | 1,693                   | 817                       | 2060 Market Share         |                                      |                                     |  |             |          |  |
| % of Total AE, AG & FR Parcels                                            | 25.13%          | 30.24%          | 20.94%               | 23.69%                    | 100.00%     | Production SF            |                           |                                                 |                      |                           |                   | 100%                    |                           | 115.6%                    |                                      |                                     |  |             |          |  |
| RA-Rural Parcels with Residences                                          | 1,010           | 1,191           | 152                  | 171                       | 2,524       | Indoor 500 SF            |                           |                                                 | 262,500              |                           | 0.65%             | Accessory Space         | 24,002,138                | 551.0                     |                                      |                                     |  |             |          |  |
| Total RA-Rural Parcels Est.                                               | 2,170           | 2,558           | 327                  | 367                       | 5,422       | Indoor                   |                           |                                                 | 4,462,500            |                           | 11.11%            | 93.85%                  |                           |                           |                                      |                                     |  |             |          |  |
| Total AE, AG, FR & RA-Rural with Res.                                     | 2,391           | 3,021           | 4,249                | 5,529                     | 15,190      | Total Indoor             |                           |                                                 | 4,725,000            |                           |                   | Other Site Work         | 5,115,000                 | 117.4                     |                                      |                                     |  |             |          |  |
| Total AE, AG, FR & RA-Rural Parcels                                       | 9,006           | 10,786          | 6,025                | 6,812                     | 32,629      | Mixed-light 1            |                           |                                                 | 7,650,000            |                           | 19.04%            | Subtotal                | 54,692,138                | 1,255.6                   |                                      |                                     |  |             |          |  |
| Permit Allocation Total Number of Parcels AE, AG and FR zones             | 1.10%           | 6.08%           | 27.04%               | 22.53%                    | 13.11%      | Mixed-light 2            |                           |                                                 | 9,945,000            |                           | 24.76%            | 213.85%                 |                           |                           |                                      |                                     |  |             |          |  |
| Permit Allocation - Total Number of Parcels with Res. AE, AG and FR zones | 75              | 500             | 1,541                | 1,452                     | 3,568       | Outdoor                  |                           |                                                 | 17,850,000           |                           | 44.44%            | Solar Panels            | 7,318,575                 | 168.0                     |                                      |                                     |  |             |          |  |
| % of RA-Rural to AE,AG,&FR w Res.                                         | 50%             | 50%             | 4%                   | 3%                        | 20%         | Total Production SF      |                           |                                                 | 40,170,000           |                           | 100.00%           | 28.62%                  | Disturbed SF              | Disturbed Acres           |                                      |                                     |  |             |          |  |
| Permit Allocation - Total Number of Parcels with Res. RA-Rural zones      | 75              | 500             | 59                   | 48                        | 682         |                          |                           |                                                 |                      |                           |                   | 242.47%                 | 62,010,712                | 1,423.6                   |                                      |                                     |  |             |          |  |
| Total Permits Issued All zones                                            | 150             | 1,000           | 1,600                | 1,500                     | 4,250       |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
|                                                                           |                 |                 |                      |                           |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Alternative 5 (4,250 Permits - 70% Outdoor)                               |                 |                 |                      |                           |             | Cannabis Production Area |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| February 16, 2019 by: <i>Plan-aire.com</i>                                |                 |                 |                      |                           |             | 2 Acres to 5 Acres       |                           | 5 Acres to 10 Acres                             |                      | 10 Acres to 20 Acres      |                   | Over 20 Acres           |                           |                           | Total Square Feet of Canopy Annually | Total Pounds of Production Annually |  |             |          |  |
| AG, AE and FR zones                                                       |                 | % of Canopy     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy | Grow Cycles per Year     | Annual S.F. of Production | % of Canopy                                     | Grow Cycles per Year | Annual S.F. of Production | % of Canopy       | Grow Cycles per Year    | Annual S.F. of Production |                           |                                      |                                     |  |             |          |  |
| Maximum Canopy Size - Square Feet                                         |                 | 500             |                      |                           | 2,500       |                          |                           | 5,000                                           |                      |                           | 10,000            |                         |                           |                           |                                      |                                     |  |             |          |  |
| 500 Square Feet Indoors                                                   |                 | 100%            |                      |                           |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Parcels                                                                   |                 | 150             | 3.5                  | 262,500                   |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Total Square Feet of Canopy - Annually                                    |                 |                 |                      | 262,500                   |             |                          |                           |                                                 |                      |                           |                   |                         |                           | 262,500                   | 27,663                               |                                     |  |             |          |  |
| 2,500 Square Feet                                                         |                 |                 |                      |                           |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Parcels                                                                   |                 |                 |                      | 1,000                     |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Indoors                                                                   |                 |                 |                      | 5.00%                     | 3.5         | 437,500                  |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Mixed Light 1                                                             |                 |                 |                      | 12.00%                    | 2.5         | 750,000                  |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Mixed Light 2                                                             |                 |                 |                      | 13.00%                    | 3           | 975,000                  |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Outdoors                                                                  |                 |                 |                      | 70.00%                    | 1           | 1,750,000                |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Total Square Feet of Canopy - Annually                                    |                 |                 |                      | 100.00%                   |             | 3,912,500                |                           |                                                 |                      |                           |                   |                         |                           | 3,912,500                 | 412,305                              |                                     |  |             |          |  |
| 5,000 Square Feet                                                         |                 |                 |                      |                           |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Parcels                                                                   |                 |                 |                      | 1,600                     |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Indoors                                                                   |                 |                 |                      | 5.00%                     | 3.5         | 1,400,000                |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Mixed Light 1                                                             |                 |                 |                      | 12.00%                    | 2.5         | 2,400,000                |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Mixed Light 2                                                             |                 |                 |                      | 13.00%                    | 3           | 3,120,000                |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Outdoors                                                                  |                 |                 |                      | 70.00%                    | 1           | 5,600,000                |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Total Square Feet of Canopy - Annually                                    |                 |                 |                      | 100.00%                   |             | 12,520,000               |                           |                                                 |                      |                           |                   |                         |                           | 12,520,000                | 1,319,377                            |                                     |  |             |          |  |
| 10,000 Square Feet                                                        |                 |                 |                      |                           |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Parcels                                                                   |                 |                 |                      | 1,500                     |             |                          |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Indoors                                                                   |                 |                 |                      | 5.00%                     | 3.5         | 2,625,000                |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Mixed Light 1                                                             |                 |                 |                      | 12.00%                    | 2.5         | 4,500,000                |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Mixed Light 2                                                             |                 |                 |                      | 13.00%                    | 3           | 5,850,000                |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Outdoors                                                                  |                 |                 |                      | 70.00%                    | 1           | 10,500,000               |                           |                                                 |                      |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Total Square Feet of Canopy - Annually                                    |                 |                 |                      | 100.00%                   |             | 23,475,000               |                           |                                                 |                      |                           |                   |                         |                           | 23,475,000                | 2,473,831                            |                                     |  |             |          |  |
| Gross Production Before Adjustments                                       |                 |                 | 4,233,175            | % of 2060 Market Share    | 115.6%      | % of 2040 Market Share   | 126.4%                    | % of 2016 Production Level                      | 162.8%               |                           |                   |                         |                           |                           |                                      |                                     |  |             |          |  |
| Adjustment for Effectiveness                                              |                 | -40.68%         | 2,511,120            | Net Potential Crop        |             | Total Parcels            | 4,250                     | Total Project: Square Feet Of Canopy - Annually |                      |                           |                   |                         |                           | 40,170,000                | 4,233,175                            |                                     |  |             |          |  |
| Loss Before Trimming                                                      |                 | -12.50%         | 2,197,230            | Net Production            |             | Grams per Square Feet    | 47.8                      | Total Grams of Production                       |                      |                           |                   |                         |                           | 1,920,126,000             |                                      |                                     |  |             |          |  |
| Adjustment for Lab Testing                                                |                 | -12.50%         | 1,922,576            | Total Saleable Pounds     |             | Grams per Pound          | 453.59                    | Total Pounds of Production                      |                      |                           |                   |                         |                           | 4,233,175                 |                                      |                                     |  |             |          |  |

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| Original Project as Shown in Draft EIR                                                                  |                          |               | Page 2 of 2                                          |                                      | February 16, 2019 by: Plan-aire.com |               |               |                                     |                                              |                      |                                         |                            |                       |                                   |               |            |
|---------------------------------------------------------------------------------------------------------|--------------------------|---------------|------------------------------------------------------|--------------------------------------|-------------------------------------|---------------|---------------|-------------------------------------|----------------------------------------------|----------------------|-----------------------------------------|----------------------------|-----------------------|-----------------------------------|---------------|------------|
| Cultivation Only - Number of Full Time Employees per Parcel                                             |                          |               |                                                      |                                      |                                     |               | Cultivation   | Cultivation                         | Cultivation                                  | Trimming             | Trimming                                |                            |                       |                                   | Total Project | Average    |
| * Updated Feb. 17, 2018                                                                                 | Cultivation              | Total Project |                                                      |                                      |                                     |               | Average Total | Only                                | Number of                                    | Only                 | Number of                               |                            |                       |                                   | Number of     | Full Time  |
| Parcel Size                                                                                             | Area                     | Number of     | Indoor                                               | Mixed-light                          | Mixed-light                         | Outdoor       | Employees     | Number of                           | Full Time                                    | Number of            | Full Time                               |                            |                       |                                   | Full Time     | Employees  |
|                                                                                                         | Square Feet              | Permits       |                                                      | Tier 1                               | Tier 2                              | 1/2 Year Only | Per Parcel    | Full Time                           | Employees                                    | Full Time            | Employees                               |                            |                       |                                   | Employees     | By Parcel  |
|                                                                                                         |                          |               |                                                      |                                      |                                     |               |               | Employees                           | Per Permit                                   | Employees            | Per Permit                              |                            |                       |                                   | Size          |            |
| 2-5 acres                                                                                               | 500                      | 6,836         | 0.5                                                  |                                      | 0                                   | 0             | 0.5           | 3,418                               |                                              | 1,683                |                                         |                            |                       |                                   | 5,101         | 0.75       |
|                                                                                                         |                          |               | 6836                                                 |                                      |                                     |               |               |                                     |                                              |                      |                                         |                            |                       |                                   |               |            |
| 5-10 acres                                                                                              | 2,500                    | 8,228         | 1.5                                                  | 1.25                                 | 1.5                                 | 0.5           | 1.19          | 9,599                               |                                              | 7,876                |                                         |                            |                       |                                   | 17,475        | 2.12       |
|                                                                                                         |                          | 8,228         | 2743                                                 | 0                                    | 2743                                | 2743          |               |                                     |                                              |                      |                                         |                            |                       |                                   |               |            |
| 10-20 acres                                                                                             | 5,000                    | 5,698         | 2                                                    | 1.75                                 | 2                                   | 0.75          | 1.63          | 9,022                               |                                              | 10,908               |                                         |                            |                       |                                   | 19,930        | 3.50       |
|                                                                                                         |                          | 5,698         | 1899                                                 | 0                                    | 1899                                | 1899          |               |                                     |                                              |                      |                                         |                            |                       |                                   |               |            |
| Over 20 acres                                                                                           | 10,000                   | 6,445         | 3                                                    | 2.5                                  | 3                                   | 1.5           | 2.50          | 16,113                              |                                              | 24,677               |                                         |                            |                       |                                   | 40,790        | 6.33       |
|                                                                                                         |                          | 6,445         | 2148                                                 | 0                                    | 2148                                | 2148          |               |                                     |                                              |                      |                                         |                            |                       |                                   |               |            |
| Total Permits                                                                                           |                          | 27,207        |                                                      |                                      | Total Cultivation Employees         |               |               | 38,152                              | 1.40                                         | 45,144               | 1.66                                    |                            |                       |                                   | 83,296        | 3.06       |
| Total Employees Required for Project - Using 6 Hours per Pound for Trimming Including Cultivation Hours |                          |               |                                                      |                                      |                                     |               |               |                                     |                                              |                      |                                         |                            |                       |                                   |               |            |
|                                                                                                         |                          |               | Conversion                                           | Yield                                |                                     |               |               |                                     | Per Parcel                                   | Total Project        | Project Water Use                       |                            |                       |                                   |               |            |
|                                                                                                         |                          |               | 0.51905                                              |                                      |                                     |               |               |                                     | Full Time                                    | Full Time            | Water Use                               |                            |                       |                                   |               |            |
|                                                                                                         |                          |               | Indoor                                               | Mixed-light                          | Mixed-light                         | Outdoor       | Total         | Trimming                            | Equivalent                                   | Equivalent           | Gallons Per                             |                            |                       |                                   |               |            |
| Parcel Size                                                                                             | Cultivation              | Total Project |                                                      | Tier 1                               | Tier 2                              |               |               | Hours                               | Employees                                    | Employees            | Permitted                               | Number of                  | Total Project         | Total Project                     |               |            |
|                                                                                                         | Square Feet              | Permits       |                                                      |                                      |                                     |               |               | Per Pound                           | Required for                                 | Required for         | Site                                    | Permits                    | Gallons               | Acre Feet                         |               |            |
|                                                                                                         |                          |               |                                                      |                                      |                                     |               |               |                                     | Trimming                                     | Trimming             | 6 Gal./Plant                            | Issued                     | Per Year              | Per Year                          |               | 325,851.43 |
| 2-5 acres - Pounds of Net Production                                                                    | 500                      | 6,836         | 560,876                                              | -                                    | -                                   | -             | 560,876       | 6                                   | 0.25                                         | 1,683                | 5,400                                   | 6,836                      | 36,914,400            | 113.29                            |               |            |
| Square Feet of Production                                                                               |                          |               | 10,254,000                                           |                                      |                                     |               |               |                                     |                                              |                      |                                         |                            | -                     |                                   |               |            |
|                                                                                                         |                          |               | 0.25                                                 | -                                    | -                                   | -             |               |                                     |                                              |                      |                                         |                            | -                     |                                   |               |            |
| 5-10 acres - Pounds of Net Production                                                                   | 2,500                    | 8,228         | 1,125,143                                            | -                                    | 1,125,143                           | 375,048       | 2,625,335     | 6                                   | 0.96                                         | 7,876                | 27,000                                  | 8,228                      | 222,156,000           | 681.77                            |               |            |
| Square Feet of Production                                                                               |                          |               | 20,570,000                                           | 0                                    | 20,570,000                          | 6,856,667     |               |                                     |                                              |                      |                                         |                            | -                     |                                   |               |            |
|                                                                                                         |                          |               | 0.41                                                 | -                                    | 0.41                                | 0.14          |               |                                     |                                              |                      |                                         |                            | -                     |                                   |               |            |
| 10-20 acres - Pounds of Net Production                                                                  | 5,000                    | 5,698         | 1,558,354                                            | -                                    | 1,558,354                           | 519,451       | 3,636,159     | 6                                   | 1.91                                         | 10,908               | 54,000                                  | 5,698                      | 307,692,000           | 944.27                            |               |            |
| Square Feet of Production                                                                               |                          |               | 28,490,000                                           | 0                                    | 28,490,000                          | 9,496,667     |               |                                     |                                              |                      |                                         |                            | -                     |                                   |               |            |
|                                                                                                         |                          |               | 0.82                                                 | -                                    | 0.82                                | 0.27          |               |                                     |                                              |                      |                                         |                            | -                     |                                   |               |            |
| Over 20 acres - Pounds of Net Production                                                                | 10,000                   | 6,445         | 3,525,304                                            | -                                    | 3,525,304                           | 1,175,101     | 8,225,709     | 6                                   | 3.83                                         | 24,677               | 108,000                                 | 6,445                      | 696,060,000           | 2,136.13                          |               |            |
| Square Feet of Production                                                                               |                          |               | 64,450,000                                           | -                                    | 64,450,000                          | 21,483,333    |               |                                     |                                              |                      |                                         |                            | -                     |                                   |               |            |
|                                                                                                         |                          |               | 1.64                                                 | -                                    | 1.64                                | 0.55          |               | See Table Above for Total Employees |                                              |                      | Total Water Gallons                     |                            | 1,262,822,400         |                                   |               |            |
| Total Permits                                                                                           |                          | 27,207        |                                                      | Total Net Production Before Trimming |                                     |               | 15,048,079    | Trimming Employees Only             | 45,144                                       |                      |                                         |                            | Total Acre Feet       | 3,875.45                          |               |            |
| Electric Use for Project                                                                                | Cultivation              |               | Electric Use kWh per S.F. per Year- Cultivation Only |                                      |                                     |               |               | Electric Use Accessory Buildings    |                                              |                      |                                         |                            | Electric Use Notes:   |                                   |               |            |
|                                                                                                         | Area                     |               | Indoor                                               | Mixed-light                          | Mixed-light                         | Outdoor       | Total         | Indoor                              | Mixed-light                                  | Mixed-light          | Outdoor                                 | Total                      |                       | Lighting                          | HVAC          |            |
|                                                                                                         | Square Feet              |               |                                                      | Tier 1                               | Tier 2                              |               | kW Hours      |                                     | Tier 1                                       | Tier 2               |                                         | kW Hours                   |                       | Indoor: kW Hours per SF           |               |            |
| 2-5 acres - Electric Use per Permit                                                                     | 500                      | 6,836         | 135                                                  |                                      |                                     |               |               | 3.82                                | Note: Accessory Structures: 93.85% of Canopy |                      |                                         |                            |                       | 100                               | 35            |            |
| Square Feet of Production                                                                               |                          |               | 3,418,000                                            |                                      |                                     |               |               | 3,418,000                           | Processing Area: 9.6%, Warehouse: 22.4%      |                      |                                         |                            |                       | Mixed-light 1: kWh per SF         |               |            |
|                                                                                                         |                          |               | 461,430,000                                          |                                      |                                     |               | 461,430,000   | 13,044,455                          | Ag. Build: 36.85%, Immature Plants: 25%      |                      |                                         |                            | 13,044,455            | 7.7                               | 15            |            |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                    | 8,228         | 135                                                  | 22.7                                 | 62                                  | 2.5           |               | 3.82                                | 3.82                                         | 3.82                 | 3.82                                    |                            |                       | Mixed-light 2: kWh per SF         |               |            |
| Square Feet of Production                                                                               |                          |               | 6,856,667                                            | -                                    | 6,856,667                           | 6,856,667     |               | 6,856,667                           | -                                            | 6,856,667            | 6,856,667                               |                            |                       | 32                                | 30            |            |
|                                                                                                         |                          |               | 925,650,000                                          | -                                    | 425,113,333                         | 17,141,667    | 1,367,905,000 | 26,167,783                          | -                                            | 26,167,783           | 26,167,783                              | 78,503,348                 |                       | Outdoor: kWh per SF               |               |            |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                    | 5,698         | 135                                                  | 22.7                                 | 62                                  | 2.5           |               | 3.82                                | 3.82                                         | 3.82                 | 3.82                                    |                            |                       | 0.5                               | 2             |            |
| Square Feet of Production                                                                               |                          |               | 9,496,667                                            | -                                    | 9,496,667                           | 9,496,667     |               | 9,496,667                           | -                                            | 9,496,667            | 9,496,667                               |                            |                       | Accessory Buildings % of Canopy   |               |            |
|                                                                                                         |                          |               | 1,282,050,000                                        | -                                    | 588,793,333                         | 23,741,667    | 1,894,585,000 | 36,243,079                          | -                                            | 36,243,079           | 36,243,079                              | 108,729,236                |                       | Processing 11.8 kWh/SF at 9.6%    |               |            |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                   | 6,445         | 135                                                  | 22.7                                 | 62                                  | 2.5           |               | 3.82                                | 3.82                                         | 3.82                 | 3.82                                    |                            |                       | Warehouse 6.4 kWh/SF at 22.4%     |               |            |
| Square Feet of Production                                                                               |                          |               | 21,483,333                                           | -                                    | 21,483,333                          | 21,483,333    |               | 21,483,333                          | -                                            | 21,483,333           | 21,483,333                              |                            |                       | Total Project Electric Use        |               |            |
|                                                                                                         |                          |               | 2,900,250,000                                        | -                                    | 1,331,966,667                       | 53,708,333    | 4,285,925,000 | 81,988,993                          | -                                            | 81,988,993           | 81,988,993                              | 245,966,980                |                       | 8,456,089,019 kW Hours            |               |            |
|                                                                                                         |                          |               |                                                      |                                      |                                     | kW Hours      | 8,009,845,000 |                                     |                                              |                      |                                         |                            |                       | 8,456,089 Megawatts               |               |            |
|                                                                                                         |                          |               |                                                      | Megawatts                            | 8,009,845                           | Gigawatts     | 8,010         |                                     | Megawatts                                    | 446,244              | Gigawatts                               | 446                        |                       | 8,456 Gigawatts                   |               |            |
| Solar Panels - Renewable Energy                                                                         | 40% of Total Project Use |               | Use of 350 Watt Solar Panels                         |                                      |                                     |               |               | Includes                            |                                              | Solar Calculations   |                                         |                            |                       |                                   |               |            |
| Includes Cultivation Canopy & Accessory Buildings                                                       |                          |               | Indoor                                               | Mixed-light                          | Mixed-light                         | Outdoor       | Total         | Cultivation &                       |                                              | One 350W Solar Panel |                                         |                            |                       |                                   |               |            |
|                                                                                                         |                          |               |                                                      | Tier 1                               | Tier 2                              |               | Solar Panels  | Accessory SF                        | kWh per SF                                   | kWh Year             | S.F. / Panel                            | % Supplied by Solar Energy |                       |                                   |               |            |
| 2-5 acres - Electric Use per Permit                                                                     | 500                      | 6,836         | 3,418,000                                            |                                      |                                     |               |               |                                     |                                              | 574.72               | 17.541                                  | 50%                        | 45%                   | 40%                               |               |            |
| Number of 350 Watt Solar Panels Required                                                                |                          |               | 330,230                                              |                                      |                                     |               | 330,230       | Indoor                              | 138.82                                       | 0.24                 |                                         | 0.121                      | 0.109                 | 0.097                             |               |            |
| 5-10 acres - Electric Use per Permit                                                                    | 2,500                    | 8,228         | 6,856,667                                            | -                                    | 6,856,667                           | 6,856,667     |               | Mixed-light 1                       | 26.52                                        | 0.05                 |                                         | 0.023                      | 0.021                 | 0.018                             |               |            |
| Number of 350 Watt Solar Panels Required                                                                |                          |               | 662,457                                              | -                                    | 314,088                             | 30,143        | 1,006,687     | Mixed-light 2                       | 65.82                                        | 0.11                 |                                         | 0.057                      | 0.052                 | 0.046                             |               |            |
| 10-20 acres - Electric Use per Permit                                                                   | 5,000                    | 5,698         | 9,496,667                                            | -                                    | 9,496,667                           | 9,496,667     |               | Outdoor                             | 6.32                                         | 0.01                 |                                         | 0.005                      | 0.005                 | 0.004                             |               |            |
| Number of 350 Watt Solar Panels Required                                                                |                          |               | 917,520                                              | -                                    | 435,020                             | 41,749        | 1,394,289     | Avg. House                          | 4.518                                        | 0.01                 |                                         | 0.004                      | 0.004                 | 0.003                             |               |            |
| Over 20 acres - Electric Use per Permit                                                                 | 10,000                   | 6,445         | 21,483,333                                           | -                                    | 21,483,333                          | 21,483,333    |               | 1,800 SF Nevada County 2016         |                                              |                      | Avg. No. Panels for 1,800 SF House @40% |                            |                       | 5.66                              |               |            |
| Number of 350 Watt Solar Panels Required                                                                |                          |               | 2,075,612                                            | -                                    | 984,101                             | 94,444        | 3,154,156     | 43,560                              |                                              |                      | 103,235,146                             |                            |                       | Total Square Feet of Solar Panels |               |            |
| Total Canopy                                                                                            |                          | 116,928,000   | Total Solar Panels @ 40%                             |                                      |                                     |               | 5,885,363     | Total Solar Panel Area @ 40%        |                                              |                      |                                         | 2,370                      | Acres of Solar Panels |                                   |               |            |

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## 2.0 CEQA

CEQA was implanted in 1969 as a requirement to evaluate the impacts of a proposed project on the environment. There are and have been numerous challenges to EIR's prepared for a great variety of projects and the courts over the years have provided more and more guidance as to what information should be contained in the document, where the information should be placed as well as how an EIR can be used and what subsequent documents are required for projects that are either Tiering from the original document or just using an earlier EIR as the basis for the projects review.

The following excerpts are from **Title 14. California Code of Regulations, Chapter 3:** Guidelines for Implementation of the California Environmental Quality Acts (CEQA) and are provided as an overview for highlighting some of the concerns identified in the Draft EIR for the NCCO project. (See full text of CEQA requirements later in this document.)

**15141. Page Limits:** *The text of draft EIRs should normally be less than 150 pages and for proposals of unusual scope or complexity should normally be less than 300 pages.*

**15146. Degree of Specificity:** *The degree of specificity required in an EIR will correspond to the degree of specificity involved in the underlying activity which is described in the EIR.*

*(a) An EIR on a construction project will necessarily be more detailed in the specific effects of the project than will be an EIR on the adoption of a local general plan or comprehensive zoning ordinance because the effects of the construction can be predicted with greater accuracy.*

*(b) An EIR on a project such as the adoption or amendment of a comprehensive zoning ordinance or a local general plan should focus on the secondary effects that can be expected to follow from the adoption or amendment, but the EIR need not be as detailed as an EIR on the specific construction projects that might follow.*

*Discussion: This section is necessary to deal with the wide range of activities which are subject to the CEQA process. Some activities such as the adoption of local general plans may deal with issues on a level of broad generalities. At the other end of the scale, CEQA also applies to conditional use permits for specific development projects. While CEQA requirements cannot be avoided by chopping the proposed project into pieces to render its impacts insignificant the EIR need not engage in a speculative analysis of environmental consequences for future and unspecified development. (Atherton v. Board of Supervisors of Orange County, (1983) 146 Cal. 3d 346.)*

*As with the range of alternatives, the level of analysis provided in an EIR is subject to the rule of reason. The level of specificity for a given EIR depends upon the type of project. The analysis must be specific enough to permit informed decision making and public participation. The need for thorough discussion and analysis is not to be construed*

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unreasonably, however, to serve as an easy way of defeating projects. What is required is the production of information sufficient to understand the environmental impacts of the proposed project and to permit a reasonable choice of alternatives so far as environmental aspects are concerned. See Laurel Heights Improvement Association v. Regents of the University of California (1988) 47 Cal. 3d 376. In Antioch v. Pittsburg (1986) 187 Cal. App. 3d 1325, the court held that EIR requirements must be sufficiently flexible to encompass vastly differing projects with varying levels of specificity. When the alternatives have been set forth in this manner, an EIR does not become vulnerable because it fails to consider in detail each and every conceivable variation of the alternatives stated.

**15151. Standards for Adequacy of an EIR:** An EIR should be prepared with a sufficient degree of analysis to provide decision-makers with information which enables them to make a decision which intelligently takes account of environmental consequences. An evaluation of the environmental effects of a proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in the light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among the experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure.

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**15152. Tiering:** (b) Tiering does not excuse the lead agency from adequately analyzing reasonably foreseeable significant environmental effects of the project and does not justify deferring such analysis to a later tier EIR or negative declaration. However, the level of detail contained in a first tier EIR need not be greater than that of the program, plan, policy, or ordinance being analyzed.

(d) Where an EIR has been prepared and certified for a program, plan, policy, or ordinance consistent with the requirements of this section, any lead agency for a later project pursuant to or consistent with the program, plan, policy, or ordinance should limit the EIR or negative declaration on the later project to effects which:

- (1) Were not examined as significant effects on the environment in the prior EIR; or
- (2) Are susceptible to substantial reduction or avoidance by the choice of specific revisions in the project, by the imposition of conditions, or other means.

(f) A later EIR shall be required when the initial study or other analysis finds that the later project may cause significant effects on the environment that were not adequately addressed in the prior EIR. A negative declaration shall be required when the provisions of Section 15070 are met.

- (1) Where a lead agency determines that a cumulative effect has been adequately addressed in the prior EIR, that effect is not treated as significant for purposes of the later EIR or negative declaration, and need not be discussed in detail.

(3) Significant environmental effects have been "adequately addressed" if the lead agency determines that:

(A) they have been mitigated or avoided as a result of the prior environmental impact report and findings adopted in connection with that prior environmental report; or

(B) they have been examined at a sufficient level of detail in the prior environmental impact report to enable those effects to be mitigated or avoided by site specific revisions, the imposition of conditions, or by other means in connection with the approval of the later project.

**Discussion:** The tiering concept authorized in this section is designed to promote efficiency in the process and to improve the compatibility of the CEQA process with the NEPA process. This section recognizes that the approval of many projects will move through a series of separate public agency decisions, going from approval of a general plan, to approval of an intermediate plan or zoning, and finally to approval of a specific development proposal. Each of these approvals is subject to the CEQA process.

This section improves efficiency by encouraging the Lead Agency to limit the EIR or the Negative Declaration on a later project, which is pursuant to or consistent with the program, plan, or policy, to examining the significant effects which were not examined as significant effects in the prior EIR or are susceptible to substantial reduction or avoidance by specific revisions in the project. The section allows use of tiering even where the action on the prior project and EIR did not include mitigation for every significant effect.

**This approach recognizes that not all effects can be mitigated at each step of the process. There will be some effects for which mitigation will not be feasible at an early step of approving a particular development project, and the section would allow a Lead Agency to defer mitigation of that kind of effect to a later step.**

## Program Level EIR verses Project Level EIR

The environmental document chosen for the NCCO project was a Program Level EIR. In a 2014 court case *Citizens for a Sustainable Treasure Island v. City and County of San Francisco* (2014) 227 Cal.App.4th 1036, the Court of Appeal for the First Appellate District; found that:

*"Designating an EIR as a program EIR ... does not by itself decrease the level of analysis otherwise required in the EIR. 'All EIR's must cover the same general content. The level of specificity of an EIR is determined by the nature of the project and the "rule of reason," rather than any semantic label accorded to the EIR."*

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*The court explained that the question is not whether a program EIR should have been prepared for the Project, but whether the EIR addressed the environmental impacts of the Project to a degree of specificity consistent with the underlying activity being approved through the EIR.*

*The court explained that the level of detail in an EIR is driven by the nature of the project, not the label attached. It is the substance, rather than the form, of the environmental document which determines its nature and validity. The degree of specificity required in an EIR corresponds to the degree of specificity involved in the underlying activity that is described in the EIR.*

*The court also held the same substantial evidence standard of review applies to subsequent environmental review for a project reviewed in a program EIR or a project EIR.*

**Source: It says it's A "Project" EIR. You Say It Should Be A "Program" EIR. Does The Label Even Matter?** By Abbott & Kindermann on September 24, 2014, **By Glen Hansen** In Citizens for a Sustainable Treasure Island v. City and County of San Francisco (2014) 227 Cal.App.4th 1036

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A second article of the same court case wrote:

*The core of the challenge was that the EIR identified itself as a "project level" EIR, suggesting – at least to the Petitioners – that no additional CEQA evaluation would be required throughout the project's expected long course of development. The Petitioners wanted the label to matter more than the substance, because they hoped that would mean that every later phase of the "program" would provide an opportunity for them to bring a new CEQA challenge.*

*The Treasure Island court chose a more rational and practical interpretation of CEQA, holding that the EIR needed only to evaluate the level of detail known at the time the EIR is prepared. "The level of specificity of an EIR is determined by the nature of the project and the 'rule of reason', rather than any semantic label accorded to the EIR." Regardless of whether you call it a "program EIR" or a "project EIR," your ability to rely on the EIR for later phases should be the same.*

**Source: Project EIR or Program EIR? "A Rose By Any Other Name . . . ."** By Andrew Sabey on December 7, 2014; (Note: Cox Castle & Nicholson represented Treasure Island Homeless Development Initiative in this case).

## **The Implications of CEQA for the Proposed Project**

For the NCCO project, does the Program Level EIR meet all of the requirements as specified in CEQA? Will subsequent projects be Tiering off the Program **EIR (Tiering**

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**does not excuse the lead agency from adequately analyzing reasonably foreseeable significant environmental effects of the project and does not justify deferring such analysis to a later tier EIR or negative declaration.)** or will these subsequent projects be using the Program EIR as part of the Initial Study process to document a finding that a later project will not have a significant impact and prepare a Negative Declaration with appropriate noticing and hearing(s)?

Is there enough specificity in the Program Level EIR for use as the foundation for 27,000 commercial projects to Tier from? Are all of the impacts of the project fully addressed, such as the additional 14,500 homes, visual impacts from solar energy production and additional site disturbance from these devices, are the total number of anticipated employees both direct and indirect addressed in the EIR, are all of calculations for water, energy, traffic addressed completely and accurately? Are there any growth inducing impacts related to the low cannabis taxes compared to other communities? Is there a time frame for the total project buildout established and how many subsequent projects could be expected each year to utilize this EIR as the basis of CEQA compliance? Are the total impacts on schools, public services and other local and regional infrastructure adequately addressed?

These are just some of the areas where an EIR may be challenged. Groups that specialize in challenging projects generally attack the EIR and have been very successful in either stopping projects or delaying projects, often for many years. Having a very strong environmental document from the outset is a critical component for any project, and any weak portions of an EIR compromise the entire project, not just the section where deficiencies are identified.

## Challenges to the EIR

The larger the project the bigger the target; for those who wish to oppose a development. Commercial cannabis is clearly a development project and the footprint for each of these cultivations is far larger than an average home. These sites are not clustered, but spread out throughout the county and can be located directly adjacent to parcels who would not support commercial development next door.

As the Sierra Club (and many other groups) have found over the years, the simplest way to stop or delay a project is to challenge the EIR. Even if these groups lose the lawsuits, many projects just up and die because the developers either can't afford the fight or the lengthy delay, brought forward by the legal action. Two or three years of delay or more for bigger projects usually results in no project and a victory for the groups filing suit. These organizations have been practicing this model for decades and have been highly

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successful in blocking projects, even many very good developments, which would have benefited many communities.

An EIR for any project should be as bullet-proof as possible, right from the outset. The document needs to be accurate; the project description should encompass only the size of the project that is intended to be developed. The document must be clear on how it will be expected to be used in the future for follow-on projects and the level of specificity must be adequate for those follow-on projects. Inadequate environmental review at any level of a project will be subject to challenge especially follow-on projects which relied on a higher Tier document where the EIR did not address project level specificity.

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### 3.0 Reviewing Alternatives

#### **Keeping the Same Baseline, Revising the Project Impacts and Examining More Project Alternatives**

Keeping 27,207 parcels in the EIR may be a higher number than required under CEQA. That size of a project could never be developed, so creating an environmental document for a project of this size appears to be creating a setting for challenges. This is not a general plan level EIR where broad land use categories are established and policies developed to support the plan. As the document is written, it appears to be more of a land development EIR where many small commercial projects would be built using the broader level EIR as the umbrella environmental document. The State of California prepared a Program EIR for the states cannabis program, and Nevada County has proposed a Program EIR for commercial cannabis cultivation. At some point a project level EIR has to be prepared for the individual projects to obtain a Final Project EIR to comply with CEQA.

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For instance, a local discount store wants to develop a 2 acre site. The General Plan EIR, which was a program EIR, evaluated land use and developed goals, policies and implementation measures for that land use. However, when actual project wanted to develop a specific parcel, even if the proposed project was allowed in that land use, a project specific environment document is required for the local discount store. A Program level environment document could be adequate if the specifics on each the sites were originally addressed in the document. Broader level EIR's like a Program level documents essentially is designed to "kick the can down the road" for a subsequent environmental review process.

There are no shortcuts in CEQA.

## Key Areas of Environmental Review

As mentioned in the introduction, there are several areas of significant concern related to the project as presented in the Draft EIR. In developing alternatives for consideration of the points for comparison were the total disturbed area and the amount of cannabis that could possibly be produced by the project. Secondary concerns were the electric use, water use and number of employees. Each of these areas will be discussed thoroughly later in the document. Introducing renewable energy was considered essential to reduce impacts to the power grid and comply with state renewable energy mandates. In addition the mix of operations between indoor, mixed-light and outdoor cultivation was examined as well as the accessory structures outside the canopy.

The indoor and mixed-light lights require more people to operate and consume more power than outdoor cultivation sites. The water use could be higher for indoor and mixed-light depending on how the operations were to function, but the evaporation loss is far less than outdoor cultivation and the water used indoors and in mixed-light would be far better managed. Some operators recycle their water, most use drip irrigation and any waste wastewater has to be disposed of properly to comply with regulations, so there is an incentive to use water conservatively. The overall water use for indoor and mixed-light operations would be about the same as a single 180 day outdoor cultivation, even with 3 grows cycles per year. (Much more evaluation was presented in the comments for the Draft EIR along with supporting calculations) Water use for each alternative is provided as part of this analysis.

Energy use is based on the type and size of operation, the amount of lighting used per square foot and the number of grow cycles per year. The use of renewable energy is a consideration for the project and energy use for any ancillary structures needs to be included in the evaluation. The total projected energy demand is provided for each alternative. As stated earlier the number of employees per site is determined by the canopy size, type of cultivation, number of cycles per year and the amount of product produced in the operation. These calculations are provided for each of the alternatives.

## Parcels, Canopy and Ancillary Structures

The basic assumption is that there are between 4,000 and 7,000 parcels which made sense to examine and the assumption was made that there would be up to 350 permits issued in any year. The final buildout date is unknown. Also to consider is that of the permits available, they are not limited to the issuance of these permits to all existing cultivation operations since many of these sites are located on properties which do not meet setback, lot size or zoning requirements. If 350 permits per year were issued every

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year (about one a day for every day of the year) it would require 10 years to issue 3,500 permits. Clearly this is just a model and the actual permits issued would be documented, but for the sake of a proper CEQA evaluation some level of a project must be determined initially and the impacts of that project evaluated.

For this evaluation, only AG, AE, FR and RA-Rural zoned properties are eligible for cultivation permits. The canopy sizes, setbacks and other project requirements would remain as outlined in the draft ordinance, except that ancillary structures would allowed up to 100% of the canopy. (See Section on Ancillary Buildings later in this document).

The following Table was provided by the Community Development Department in May 2018 and would be used for the basis of determining the total number of existing parcels with residences for determining the allocations between the various zoning and parcel sizes. The parcels with existing residential housing units was a better starting point for allocations since these parcels would not need to construct residences and they are already allowed to apply for commercial cannabis permits. If a parcel wanted to obtain a commercial cultivation license, they would first have to build a residence, and then apply for a commercial cultivation permit with the county.

It is important to recognize that of the approximately 10,000 Temporary Permits that were issued by the state as of 12-31-2018, only a percentage of those Temporary Permits issued will be ever by converted to Annual Licenses. As of February 2019, less than 6,000 of these cultivation permits were active. The state does not require that a Temporary Permit must have been issued in order for an applicant to obtain an Annual Permit. During the initial 10 years of the project it is estimated that less than 3,500 permits would be issued. This may or may not correspond to how many are actually issued in the first 10 years and any unissued permits after the initial 10 years would carry over to subsequent years. A new cultivation ordinance could amend the number of permits issued per year, the total number of permits available, or increase or decrease canopy sizes at any time during the life of the project.

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### **Parcels with Residences**

The analysis focused on parcels with residences for determining allocations. There are many undeveloped parcels in the county and while the Draft EIR assumed that each parcel could contain a commercial cannabis facility, it appears unrealistic considering that all of these parcels could not be developed for a variety of reasons. If there were a home on a parcel, there is a higher likelihood for a request of a cannabis cultivation permit. The following table represents the rural parcels in the county with existing residences. This was distributed to the Board of Supervisors in May 2018, during the hearing for the

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cannabis ordinance. Only the parcels in the AE, AG, FR and RA-Rural zones were considered for this evaluation.

**RURAL ZONING DISTRICTS- Minus Public Owned Parcels**

| <b>Zoning District (GP Des)</b> | <b>2 to 2.99 ac.</b> | <b>3 to 4.99 ac.</b> | <b>5 to 9.99-ac.</b> | <b>10-ac and &gt;</b> | <b>Total</b>  |
|---------------------------------|----------------------|----------------------|----------------------|-----------------------|---------------|
| AE                              | 2                    | 5                    | 12                   | 121                   | 140           |
| AG                              | 1,261                | 1,539                | 3,432                | 4,131                 | 10,363        |
| FR                              | 118                  | 286                  | 653                  | 1,106                 | 2,163         |
| RA (RES)                        | 273                  | 211                  | 104                  | 52                    | 640           |
| RA (EST)                        | 902                  | 905                  | 533                  | 189                   | 2,529         |
| RA (other/rural)                | 422                  | 588                  | 1,191                | 323                   | 2,524         |
| RA Subtotal                     | 1,597                | 1,704                | 1,828                | 564                   | 5,693         |
| <b>Total</b>                    | <b>2,978</b>         | <b>3,534</b>         | <b>5,925</b>         | <b>5,922</b>          | <b>18,359</b> |

Source: Nevada County GIS Parcel Layer 1/8/18

|                       |       |       |       |       |        |
|-----------------------|-------|-------|-------|-------|--------|
| AE, AG, FR & RA-Rural | 1,803 | 2,418 | 5,288 | 5,681 | 15,190 |
|-----------------------|-------|-------|-------|-------|--------|

Note: The table above is titled Rural Zoning Districts – Minus Public Owned Parcels appears to represent the rural lots which have a residence and not the total number of rural lots in the county. This can be confirmed by using the total number of lots in the table above and multiplying the number of lots times 2.35 which is the average number of persons per household in the county. That would equal a population of 43,144 which if subtracted from 66,666 which is the county population portion of the approximately 100,000 total for the county. So  $66,666 - 43,144 = 23,522$  which when divided by 2.35 would equal 10,009 housing units which would be located in Lake Wildwood, Alta Sierra and Lake of the Pines.

Using the above table accomplishes several objectives and the primary condition of requiring a legal dwelling unit on each parcel is already satisfied. Vacant lots as they develop into legal residents could still obtain cultivation licenses as part of the licensing program, since many of the existing cultivation sites may be located on parcels not included in the zoning above and not every existing cultivation site may qualify for permits due to setbacks or other licensing restrictions. In addition, many may not chose to continue to cultivate due to the high costs of permitting and licensing.

The number of total lots in the rural areas of the county, which include the AE, AE, FR and RA-rural zones, and the number of rural lots with residences, is summarized as follows. (Note: the information available above included data for the number of parcels 10 acres and larger). A conversion factor was applied to separate the parcels with

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residences between the 10 acre to 20 acre category and the 20 acre and greater category. Data for the total number of only RA-Rural parcels was not found in the EIR.

*Note: The draft EIR had stated that there were 20,833 total parcels in the RA zone. Based on the ratio of parcels with residences and the total number of parcels in the AG, AE and FR zones, 46.55% of the total parcels in these zones had residences. Applying the same 46.55% ratio to the RA zoned parcels with residences would equal a total number of parcels in the RA zone. This is represented by 5,693 parcels in the total RA zone / 46.55% which equals 12,229 total parcels in the RA zone. The RA-Rural zone contains 44.34% of the total parcels with residences in the total RA designated zoning. The total parcel count of 5,693 parcels in the RA-Rural zone was used for this analysis, and the 20,833 total parcels shown in the overall RA zoned area was disregarded.*

| Total Number of Parcels Compared to Total Number of Parcels with Residences |                                  |                 |                 |                      |               |        |
|-----------------------------------------------------------------------------|----------------------------------|-----------------|-----------------|----------------------|---------------|--------|
| Zoning Districts AE, AG, FR and RA-Rural                                    |                                  |                 |                 |                      |               |        |
| Feb. 5, 2019                                                                | Zoning District (GP) Designation | 2 to 4.99 acres | 5 to 9.99 acres | 10 acres to 20 acres | Over 20 Acres | Total  |
| Total Lots                                                                  | AE, AG, FR                       | 6,836           | 8,228           | 5,698                | 6,445         | 27,207 |
| Lots w / Residences                                                         | AE, AG, FR                       | 3,211           | 4,097           | 2,469                | 2,889         | 12,666 |
| Total Lots                                                                  | RA-Rural                         | 2,278           | 2,686           | 336                  | 393           | 5,693  |
| Lots w / Residences                                                         | RA-Rural                         | 1,010           | 1,191           | 149                  | 174           | 2,524  |
| Total All Lots                                                              |                                  | 9,114           | 10,914          | 6,034                | 6,838         | 32,900 |
| Lots w / Residences                                                         |                                  | 4,221           | 5,288           | 2,618                | 3,063         | 15,190 |
| % of Total all Parcels                                                      |                                  | 27.70%          | 33.17%          | 18.34%               | 20.78%        |        |
| % of Total Parcels with Residences                                          |                                  | 27.79%          | 34.81%          | 17.23%               | 20.17%        |        |

Since the RA-Residential and RA-Estate lots have been eliminated from this analysis the total number of lots in the county which could currently support commercial cannabis cultivation would total 15,190 lots. The above table has combined the 2 to 2.99 acre and 3 to 4.99 acre lots, eliminated the RA-Residential and RA-Estate lots and has provided a new parcel count based on a ratio of 7,000 / 15,190 or 46.08% to the parcel count for each lot count. One additional adjustment is also required for the above chart and that is to convert the data for the 10 acre and larger sites into the two different categories of 10.0 acres to 19.99 acres and the 20 acre and larger parcels. Considering that the RA Project Alternative addressed in the EIR contained 20,833 parcels (which appears to be an incorrect figure) plus the 27,207 parcels in the AE, AG and FR zones, the total project size would have been 48,040 parcels. (The Alternative 5 Project represents 8.85% of that alternative project shown in Section 6.6.2 of the EIR).

The Table 6-1 in the EIR shows the total number of parcels in the AG, AE and FR zones greater than 10 acres totaling 12,143 parcels. The data reflects that the number of parcels between 10 and 20 acres was 5,698 and the larger than 20 acres parcel sizes, were shown at 6,445 parcels. This is for the Thirty Percent Alternative project but the ratio may be similar when looking at other zoning areas. This calculation represents that in the 10 acre and larger parcel size,  $(5,698 / 12,143 = 46.92 \%)$  of the parcels are between 10 and 20 acres and the remaining parcels are over 20 acres.

In addition to examining permit distribution based on the number of parcels other distribution analysis's were also performed, where the number of permits available for each parcel size corresponds more closely to the actual permits issued by the state under the Temporary License program.

Each Alternative was developed at 100% maximum capacity for each type of cultivation. The indoor cultivation sites were examined at 3, 3.5 or 4 cultivation cycles per year with 3.5 being the most used in the study. The mixed-light 1 was examined at 2.5 and the mixed light 2 was examined at 3 cultivation cycles per year. Outdoor cultivation was expected to only achieve 1 cultivation cycle per year as a result in state rule changes that do not allow any light depravation on outdoor cultivation. The mix between types on cultivation varied from 1/3 each up to 70% outdoor. 55% and 60% outdoor allocations were also studied as they are the predominate types of cultivation operations in Nevada County.

The total canopy size in the EIR was shown at 2,684 acres of cultivation footprint for the project which included 27,207 parcels. When the accessory buildings, immature plant areas, solar panel area and associated site grading were included, the total disturbed area reached 8,110 acres. In the preferred alternative (Alternative 5) the total canopy area was 540 acres and the total disturbed area was reduced to 1,424 acres. This represents 20% of the cultivation area of the original project and 17.5% of the total disturbed area.

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### **Developing a Modified Allocation Scenario**

Based on data obtained from the Cal-Cannabis website February 9, 2019 the following table reflects the percentage of Temporary Permits issued separated into the various license types. This data represents a total of 5,996 active Temporary permits being issued as of that date.

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### **All Active Temporary Licenses**

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| Active State Temporary Cultivation Permits as of February 9, 2019 |                     |                    |                    |                    |            |             |
|-------------------------------------------------------------------|---------------------|--------------------|--------------------|--------------------|------------|-------------|
| License Size                                                      | Outdoor Cultivation | Indoor Cultivation | Mixed-light Tier 1 | Mixed-light Tier 2 | Totals     | % of Totals |
| February 20, 2019 <i>Plan-aire.com</i>                            |                     |                    |                    |                    |            |             |
| Total Canopy                                                      | 33,717,040          | 8,802,000          | 17,578,500         | 6,486,500          | 66,584,040 |             |
| Adult Use                                                         | 672                 |                    |                    |                    |            |             |
| Medical                                                           | 2,006               |                    |                    |                    |            |             |
| Number of Parcels                                                 | 2,678               | 896                | 1,821              | 601                | 5,996      |             |
| Average Canopy                                                    | 12,590              | 9,824              | 9,653              | 10,793             | 11,105     |             |
| Canopy Size                                                       |                     |                    |                    |                    |            |             |
| 500 Square Feet                                                   | -                   | 34                 | -                  | -                  | 34         | 0.57%       |
| 2500 Square Feet                                                  | 40                  | -                  | 113                | 33                 | 186        | 3.10%       |
| 5,000 Square Feet                                                 | 291                 | 339                | 252                | 52                 | 934        | 15.58%      |
| 10,000 Square Feet                                                | 2,088               | 368                | 1,333              | 434                | 4,223      | 70.43%      |
| 22,000 Square Feet                                                | -                   | 155                | 123                | 82                 | 360        | 6.00%       |
| 10,001 SF to 1 Acre                                               | 259                 | -                  | -                  | -                  | 259        | 4.32%       |
| Total Permits                                                     | 2,678               | 896                | 1,821              | 601                | 5,996      | 100.00%     |
| Square Feet of Canopy                                             | 50.64%              | 13.22%             | 26.40%             | 9.74%              | 100.00%    |             |
| Number of Licences                                                | 45%                 | 15%                | 30%                | 10%                | 100%       |             |

By deducting the Medium Canopy license types, as they do not pertain to Nevada County and recalculating the data to include the actual percentages of Temporary Licenses issued per cultivation type and size, the following information was obtained.

### Active Temporary Licenses without Medium Size Licenses

| Active State Temporary Cultivation Permits as of February 9, 2019 w/o Medium Licenses |                     |                    |                    |                    |        |             |
|---------------------------------------------------------------------------------------|---------------------|--------------------|--------------------|--------------------|--------|-------------|
| License Size                                                                          | Outdoor Cultivation | Indoor Cultivation | Mixed-light Tier 1 | Mixed-light Tier 2 | Totals | % of Totals |
| February 20, 2019 <i>Plan-aire.com</i>                                                |                     |                    |                    |                    |        |             |
| Number of Parcels                                                                     | 2,419               | 741                | 1,698              | 519                | 5,377  |             |
| Canopy Size                                                                           |                     |                    |                    |                    |        |             |
| 500 Square Feet                                                                       | -                   | 34                 | -                  | -                  | 34     | 0.63%       |
| 2500 Square Feet                                                                      | 40                  | -                  | 113                | 33                 | 186    | 3.46%       |
| 5,000 Square Feet                                                                     | 291                 | 339                | 252                | 52                 | 934    | 17.37%      |
| 10,000 Square Feet                                                                    | 2,088               | 368                | 1,333              | 434                | 4,223  | 78.54%      |
| Total Permits                                                                         | 2,419               | 741                | 1,698              | 519                | 5,377  | 100.00%     |
| Number of Licences                                                                    | 45%                 | 14%                | 32%                | 10%                | 100%   |             |

What this data reflects is that while the Indoor cultivation areas represent 14% of the total number of licenses issued, only 0.63% of the total licenses that were issued were for the

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500 square foot canopy size cultivation sites. This low number probably corresponds to the high cost of construction for such a small facility as well as the low overall yield which could be projected for such a small space. Economics are very important for the cannabis cultivators in the regulated market and these small indoor grows are competing with much larger operations where the cost per square of construction and operations is far less expensive per square foot of canopy.

Additionally, it is significant to note that the 5,001 to 10,000 square foot canopy, which corresponds to the 10,000 canopy in the county, which represents 78.5% of all of licenses issued by the state. The 2,501 to 5,000 square foot canopy, which corresponds to the 5,000 canopy in the county, represents 17.4% of the total licenses. The remaining 3.5% were issued for the up 2,000 square category, which includes the 500 square indoor garden categories which the county has allowed for lots between 2 acres and 5 acres. It is important to note that the percentages being shown here and below are calculated on state licenses figures where the medium size canopy has been deleted so the actual percentage numbers of based on total permits issued would be smaller.

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### Analyzing Project Alternatives

In analyzing various alternatives, there was always some trade-offs between trying to find a balance between the small indoor cultivations and the larger cultivation sites because the more smaller sites allowed for more permits in the total. When examining closer the actual distribution between permit sizes that were issued by the state however, the larger size permits dominated the actual permits issued. Also it was important to allocate between types of cultivation which were predominate in Nevada County which are the outdoor cultivation sites. The favored alternative provided a balance between sizes of sites fairly consistent with the number of parcels of each size. The 500 square foot size was not popular at the state level and was reduced in Alternative 5 significantly in relation to the number of parcels in the 2 to 5 acre range. There is no indication that the 500 square foot indoor operations would be economical to construct and operate compared to the other parcels sizes. While including a large number of 5,000 and 10,000 square foot size operations increased the overall footprint of the project, they represent the largest demand of the state permits issued.

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The information is important in order to determine an adequate mix between the license types as well as the lot sizes. Assuming that each type of license, indoor, mixed-light and outdoor would each have one third of the licenses does not match actual conditions based on the information above. Since the majority of licenses have been issued for 10,000 canopy size in this analysis, which would require 20 acre or larger parcels in Nevada County and the next largest category which is the 5,000 square foot canopy size,

which requires 10 to 20 acres in the county, should have more permits available than the 2,500 square foot canopy size which require 5 to 10 acres. The smallest size canopy of 500 square feet which could be placed on 2 to 5 acre lots clearly has the smallest demand based on the number of permits the state has issued.

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### **Determining the Project Size**

Based on the number of parcels and canopy size and determining the cultivation mix between indoor, mixed-light and outdoor types of operations, an approximate yield of cannabis can be calculated. The yield is important for determining the number of trimming employees as well as assessing the projects saleable product and comparing that to the state demand for cannabis. Other potential impacts of the project can also be determined once the number of parcels, canopy size and number of employees are determined including; Traffic, Housing and Employment, Water Use and Energy Use. Traffic and housing have not been included in this analysis but they can be readily examined once the number of employees is determined. One of the most critical pieces of information is estimating the future cannabis market, the market share Nevada County can expect to capture and the potential impacts of overproduction for the legal cannabis market.

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In the following sections, project yield will be discussed along with determining cannabis use for the 21 and older population, as well as estimating the future demand for cannabis in California along with determining a market share. This is a lengthy discussion and covers many aspects not readily available in other publications.

## **4.0 Summary of Current Draft EIR Concerns**

### **Projected Cannabis Yield:**

The total production of cannabis based on the proposed project (27,207 parcels) as shown in the Draft EIR was estimated to yield a maximum of about 28.99 million gross pounds of cannabis if every single parcel were to develop to 100% capacity and operate at 100% efficiency. Of course most cultivators will never achieve even close to maximum efficiency, but it is the maximum possible number of pounds that could ever be produced under the project description. This number is totally ridiculous just like the number of parcels evaluated in the Draft EIR. A more reasonable project would have only included parcels with existing residences, which would have reduced the project size by about 14,500 parcels. However the EIR requirements are designed to evaluate the potential total impacts of the project, as the project is defined, and the project was defined unrealistically large. For comparison, the State of California currently has 5,996 Active

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Temporary Licenses for cultivation sites throughout the state. (These 27,207 parcels are more than 4.5 times the number of total state licenses).

Following the CEQA guidelines, the Draft EIR attempted to address all of the potential environmental impacts of the project as defined. The Draft EIR never discussed the cannabis yields that could be produced by the project. While not an entirely environmental concern, the volume of cannabis production raises other questions, not only because this is a controlled substance and cannot be shipped across state lines, it raises the issue of overproduction and market failures with so much supply on hand. The volume of cannabis actually produced is also an important consideration when deterring the number of trimming employees which are required for the project. Trimming hours are based on hours per pound and unless there is figure fir the pounds to be trimmed, it is difficult to understand how many people are required. A traffic study uses the number of vehicles trips to determine traffic impacts. As such the number of workers will not only refine the traffic projections, but housing projections as well as other potential project impacts.

Overproduction is a problem in other ways for the community in other ways, and this is a very problem that Oregon is now facing, far too much production for the state's use and a collapse in price. Price collapse leads to high failure rates of the cultivators, abandonment of cultivation operations (potential environmental concerns) and incentives to move the product across state lines to find outlets for the product. There clearly is a balance that must be reached between supply and demand and Nevada County has taken steps in that direction by limiting the canopy area to a maximum of 10,000 square feet. The state has mixed-light and Indoor licenses available up to 22,000 square feet and Outdoor licenses up to an acre. (These are called Medium licenses in the state and when the cap is removed on canopy sizes in 2023, the new license type would probably be called Large Cultivation licenses). Finally, cannabis does not store well and has a fairly limited shelf life. It does not get better with age like some wines and starts to degrade rather rapidly, so there is more of an urgency to quickly market the product.

### **Why the Project Yield Can Never Reach 100% of Capacity**

Previous comments submitted on February 5, 2019 to the Planning Department reflected numbers for Gross cannabis production and net production. The original project Gross yield (28.99 million) was adjusted for a 25% loss (due to lab testing, pest and diseases, accidents or poor crop yield) which would equal about 21.75 million net pounds and did not include the reality of production effectiveness. There will never be 100% production of a crop of any type, and these cultivation sites are operated by many different people all with different skill levels, different techniques, different strains and different environments.

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Q-54

These are not factory farms in the Central Valley. These figures are completely overstated when the actual performance of the average cannabis cultivators are considered.

From the gross maximum possible production, before the losses due to pests, diseases and testing are considered, only about 60% of the total gross crop is probably real and the rest was just a hypothetical estimate based on a series of conditions which assumed 100% effectiveness, 100% canopy, 100% perfect conditions and that all growers had a PhD in horticulture. Those are not the real conditions. A realistic number after adjusting for effectiveness, crop loss and product testing brings the net to about 45.4% of the gross. There is a table later in this document which shows those calculations.

Further complicating the situation is that the Drat EIR assumed that Nevada County would cultivate the maximum canopy at 100% on every single parcel. This is completely impossible because not all of the parcels identified as part of the project description could ever support a residence, which is the pre-requisite for obtaining a cultivation license in Nevada County.

The figures in the Draft EIR assumed that the cultivation licenses would be evenly divided between Mixed-light, Indoor and Outdoor cultivation. Later in this document the anticipated mix will be examined more thoroughly, but considering the information gathered, Outdoor cultivation should account for at least 50% of the license types because of the weather, the ability to grow outdoors, the lower cost of production and the familiarity of the existing cultivators with outdoor cultivation. In addition, based on the active Temporary licenses issued by the state as of February 12, 2019, 50.6% of the total licensed canopies are for Outdoor cultivation (45% of the total number of licenses). Even considering that there are many geographic areas in the state where outdoor cultivation is not allowed, outdoor cultivation is still the dominant license type. Of the 5,996 active cultivation licenses, 34.8% were issued for 10,000 square foot outdoor facilities which were the single largest concentration of licenses. The second largest concentration was the Mixed-light Tier 2 at 22.2% of all licenses. The little 500 square foot indoor license category (2 to 5 acres in Nevada County) only had 34 licenses or 0.57% of the total. (See table following later in this document for a complete breakdown of license types).

According to Cannabis Benchmarks, a weekly publication which tracks prices and quantiles of transactions by different product types, the February 8, 2019 shows that 59% of the volume transacted nationally was Indoor grown. Greenhouse grown accounted for 21% of the volume and the remaining 20% was Outdoor grown. There are very few locations in the country where commercial cannabis is produced outdoors.

By decreasing the Mixed-light and Indoors to a combined total of 50% of the licenses and using the 50% Outdoor license number, the overall project yield is reduced by about 19%.

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This change in mix will reduce the gross amount of production as the outdoor production has only one crop per year compared to Mixed-light and Indoors, and will also reduce some of electrical energy requirements as well as labor for the project. A few other factors that may reduce the overall yield are the types of cannabis strains grown. Since Nevada County will only license for Medical Cannabis, there is a high likelihood of more CBD rich strains that typically have a lower yield than many of the other higher volume plants.

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As noted above, the significant factor which impacts Gross yield is that even in the ideal circumstance; maybe 25% of the cultivation sites will reach 100% capacity. Another 25% may reach 75% capacity, another 25% might only reach 50% capacity, 12.5% may reach 25% capacity and the last 12.5% either the operation will fail, not plant for season, or have a total crop failure or other loss and will have 0% production. These numbers when combined indicate that about a 59.3% yield (say 60%) for the total project is far more likely, before the losses in product testing and crop losses due to pests or mold which is always common. Adding in the losses from pests and disease and product testing, the Net Total Production is about 45.4% of the maximum gross potential. The following chart illustrates these figures.

**Chart: Effectiveness of Production**

| Effectiveness of Production |                    |                         |      | Start with 100% Canopy at Maximum Production |          |        |               |
|-----------------------------|--------------------|-------------------------|------|----------------------------------------------|----------|--------|---------------|
| % of Growers                | Growers Efficiency | % of Total              |      |                                              |          | 100%   | Pounds        |
| 25%                         | 100%               | 25.00%                  |      | Adjustment for Effectiveness                 | -40.625% | 59.38% | 100           |
| 25%                         | 75%                | 18.75%                  |      | Actual Net Potential Crop                    |          |        | 59.38         |
| 25%                         | 50%                | 12.50%                  |      | Loss Before Trimming                         | -12.50%  | 87.50% |               |
| 12.5%                       | 25%                | 3.13%                   |      | Total Trimmed Pounds                         |          |        | 51.95         |
| 12.5%                       | 0%                 | 0.00%                   | Fail | Adjustment for Lab Testing                   | -12.50%  | 87.50% |               |
|                             |                    |                         |      | <b>Total Net Marketable Pounds</b>           |          |        | <b>45.46</b>  |
| 100%                        |                    | <b>59.38% Efficient</b> |      | <b>Final % Marketable Pounds</b>             |          |        | <b>45.46%</b> |

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This 45.46% Net Total Production can be reduced further by changing the mix between outdoor cultivation versus mixed-light and indoors, which will be demonstrated in some of the Alternative Project Options later in this study. A few reductions in the grams per square foot for the high CBD strains will also reduce the gross yield even further.

Again, all numbers have been examined previously for the project at the highest possible range, just like the original assumption of 27,207 parcels. Just because the impacts have been examined at these "worst case" levels, does not make the original project size valid.

The 100% maximum yield assumed that all of the 500 sf sites are growing indoors (3) times a year, the 2,500 sf, 5,000sf, and 10,000 sf canopy sites are divided equally between indoor, mixed-light and outdoor cultivation types, and that the indoor and mixed-light are producing (3) crops per year and the outdoor cultivation are producing (1) crop per year. These baseline calculations all assume a 47.8\* gram per square foot yield on average for all types of cultivation which is high number heavily weighed by Indoor cultivation facilities staffed by professional growers, many based in the Netherlands. Some cultivators may achieve these yields, but most will not and the yield will depend on the skills of the cultivator, the strains of cannabis grown and the weather or artificial conditions. (For reference, there are 453.59 grams in 1 pound)

\* A detailed analysis of the average yield per square foot is included in the Appendix of this document. There are 181 data points examined in the study.

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### Chart: Projected Gross Cannabis Production in Nevada County, (27,027 Parcels)

The chart below details the Gross Production of cannabis in Nevada County based on the Draft EIR at 100% buildout, 100% efficiency and 100% yield which are not real world figures as discussed above. The chart also reflects the estimated number of full time employees required to staff the project, which will be discussed later in this analysis.

### Original Project in Draft EIR

| Gross Total Cannabis Yield at Full Buildout, Project Area and Total Employees |                      |                          |                                               |                         |                              |                         |                                 |
|-------------------------------------------------------------------------------|----------------------|--------------------------|-----------------------------------------------|-------------------------|------------------------------|-------------------------|---------------------------------|
| Feb. 3, 2019                                                                  |                      |                          |                                               |                         |                              |                         |                                 |
| Parcel Designation<br>100% Production                                         | Number of<br>Parcels | Canopy in<br>Square Feet | Outdoor And<br>Indoor Yield<br>Grams per S.F. | Annual Grow Cycles      |                              |                         | Average<br>Pounds<br>per Parcel |
|                                                                               |                      |                          |                                               | Indoor<br>3 Grow Cycles | Mixed-light<br>3 Grow Cycles | Outdoor<br>1 Grow Cycle | Total Gross<br>Production       |
| AG, AE, FR Parcels 2 to 5 acres                                               | 6,836                | 500                      | 47.8                                          | 100%                    |                              |                         | 158.07                          |
| AG, AE, FR Parcels 5 to 10 acres                                              | 8,228                | 2,500                    | 47.8                                          | 33.33%                  | 33.33%                       | 33.33%                  | 614.66                          |
| AG, AE, FR Parcels 10 to 20 acres                                             | 5,698                | 5,000                    | 47.8                                          | 33.33%                  | 33.33%                       | 33.33%                  | 1229.33                         |
| AG, AE, FR Parcels over 20 acres                                              | 6,445                | 10,000                   | 47.8                                          | 33.33%                  | 33.33%                       | 33.33%                  | 2458.66                         |
| Project Totals                                                                | 27,207               |                          |                                               |                         |                              | 100%                    | 28,988,787                      |

| Project Area and Total Employees  | Number of<br>Parcels | Canopy in<br>Square Feet | Total Square<br>Feet of Canopy | Area in Acres | Avg. Cultivation<br>Employees per<br>Parcel | Avg.<br>Trimmers per<br>Parcel | Total Full Time<br>Employees |               |
|-----------------------------------|----------------------|--------------------------|--------------------------------|---------------|---------------------------------------------|--------------------------------|------------------------------|---------------|
|                                   |                      |                          |                                | 43,560        |                                             |                                | Per Parcel                   | Total Project |
| AG, AE, FR Parcels 2 to 5 acres   | 6,836                | 500                      | 3,418,000                      | 78.47         | 0.50                                        | 0.41                           | 0.91                         | 6,255         |
| AG, AE, FR Parcels 5 to 10 acres  | 8,228                | 2,500                    | 20,570,000                     | 472.22        | 1.17                                        | 1.61                           | 2.78                         | 22,875        |
| AG, AE, FR Parcels 10 to 20 acres | 5,698                | 5,000                    | 28,490,000                     | 654.04        | 1.58                                        | 3.23                           | 4.81                         | 27,409        |
| AG, AE, FR Parcels over 20 acres  | 6,445                | 10,000                   | 64,450,000                     | 1,479.57      | 2.33                                        | 6.45                           | 8.79                         | 56,634        |
| Project Totals                    |                      |                          | 116,928,000                    | 2,684.30      |                                             |                                |                              | 113,173       |

## 5.0 Cannabis Use Rates:

### National Survey on Drug Use and Health Report for 2016 (NSDUH)

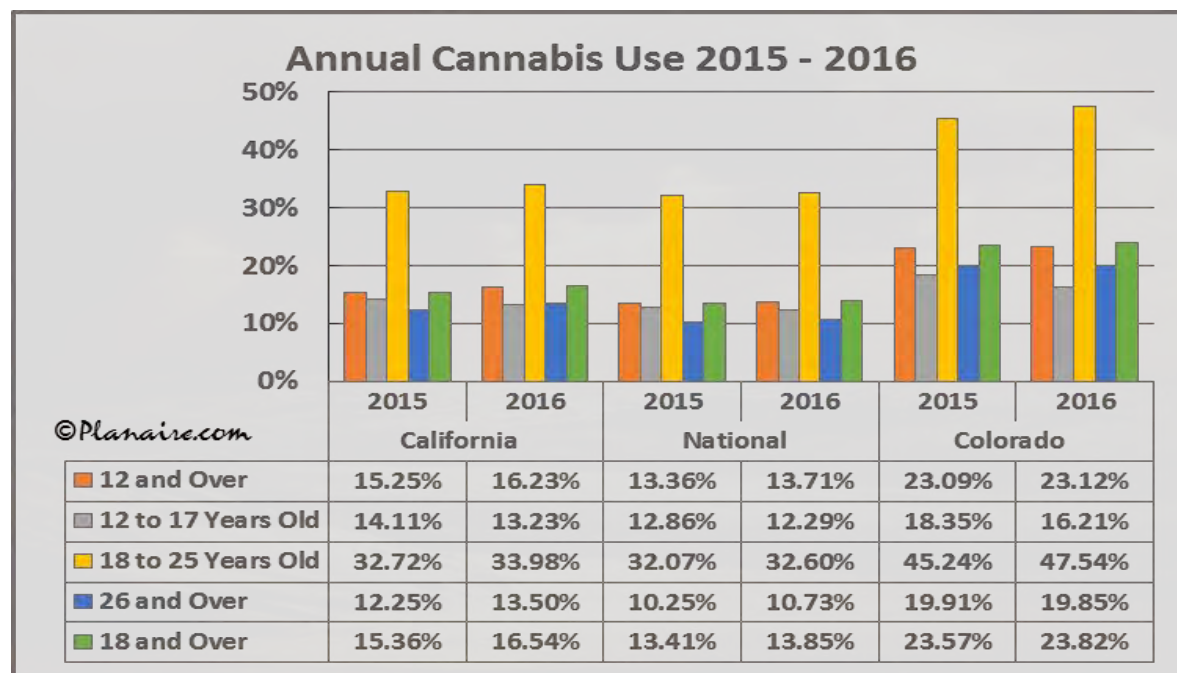
Q-60

The Federal government prepares a very comprehensive study every two years titled the National Survey on Drug Use and Health. The next update should be out later in 2019 and some of the current projections provided in this document can be confirmed, since the report will cover the years 2017 and 2018. This data is publically available and is not some hype about future market share or growth rates for some future users, as commonly provided by cannabis business trying to attract investors.

The data is segmented into different age groups, the age 12 and Older User, the age 12 to age 17 User, the 18 and Older User, the age 18 to age 25 User and the age 26 and Older User. Some work needs to be performed to find the age 21 and Older user group which can be performed by working with the California Population Projections (Baseline 2016). The population is forecast for each age through the year 2060. Data set P-1 – Total Population by Age\*\* was used to identify the population size and use rate for the age 21 and over User. The Monthly users consume about 95% of all cannabis. The following chart shows the Annual Cannabis Use Rates 2015 – 2016 by age groups, and compares the % of users for California, Colorado and the National average.

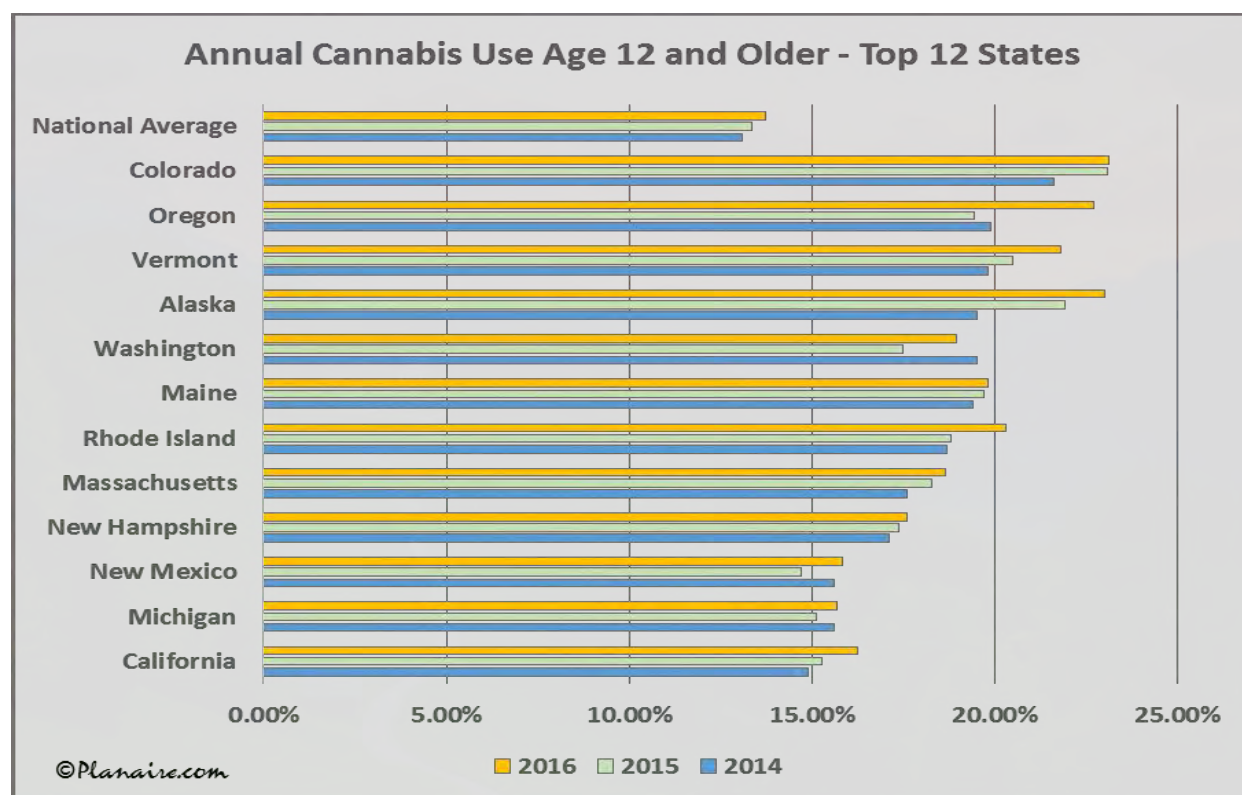
\*\* <http://www.dof.ca.gov/Forecasting/Demographics/Projections/>

Q-60  
cont'd



The following chart shows the Monthly Cannabis Use for the Age 12 and Older category for the top 12 states and the National Average for 2014, 2015 and 2016. Information is tracked by various age groups in the NSDUH data.

This chart shows the California Annual Cannabis Consumption for the years 2015 and 2016 based on the NSDUH\*\* data, Year 2017 through 2021 are projects based on the rate of growth between 2015 and 2016, which may be higher than historic growth rates due to the anticipated passage of State Proposition 64

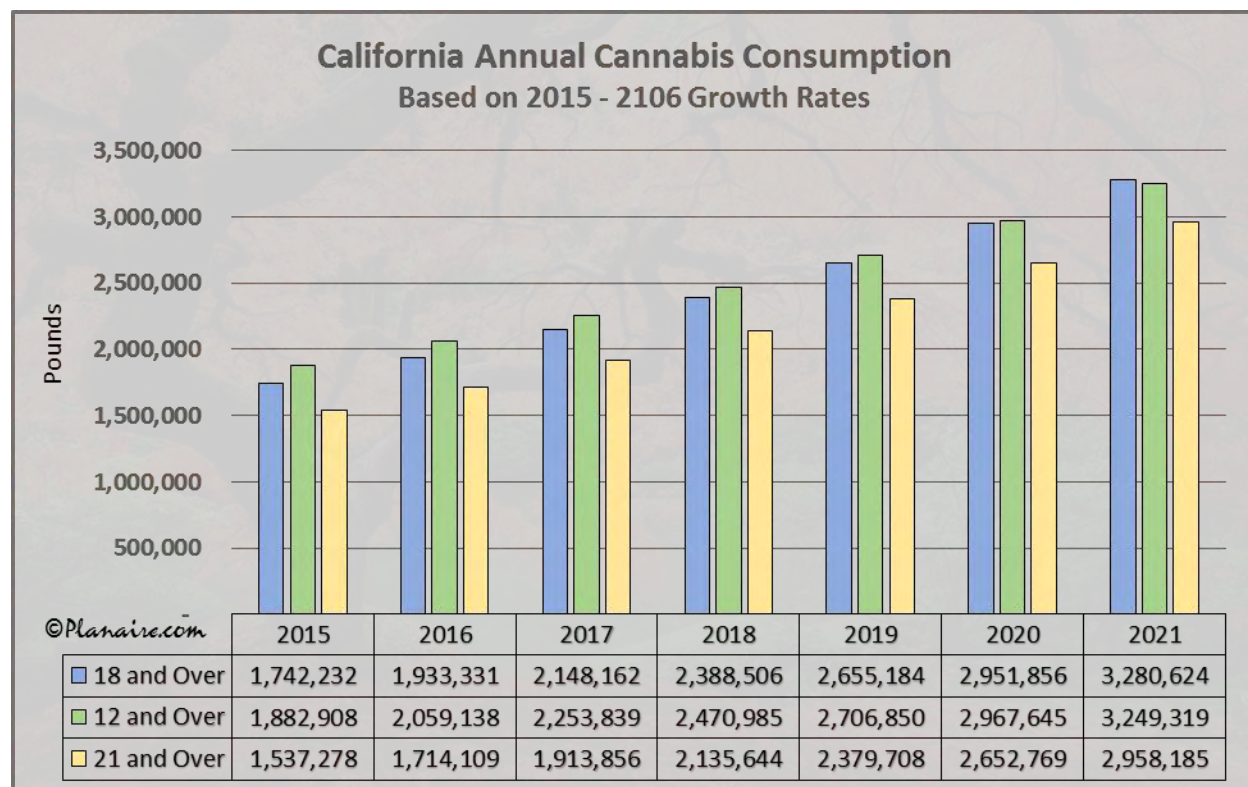


Q-60  
cont'd

\*\* Since 1971 the US Government has conducted surveys on drug use and the most recent version is titled the National Survey on Drug Use and Health (NSDUH) and included data for 2015 and 2016. The 2018 survey is currently being conducted and results should be available in the first or second quarter of 2019.

The 12 and older category had an average use rate of 15.25% in 2015, 16.23% in 2016 both based on NSDUH data. The projected use rate was 17.27% in 2017, increasing to 18.38% in 2018 and 22.16% in 2021. (In comparison the ERA Report data which was published to support the State EIR in January 2017, had shown an average use rate of 14.32% for the state).

On the following chart the age 21 and older group of users is forecast to consume about 3.0 million pounds in the year 2021 which is a sharp increase from 2016 when the 21 and Over Category consumed 1.7 million pounds. This is a 14.52% average Annual Growth Rate\*\*\* over 5 years in use by this age group, which is not a practical assumption for predicting future growth. In fact there are some age groups where cannabis use is starting to decline.



\*\*\* The Annual Growth Rate between 2015 and 2016 is based on dividing the 2016 Total Pounds Consumed by the 2015 Total Pounds Consumed minus 100%. This is the standard calculation for determining the growth rate between two time periods.

## 6.0 Future Growth Analysis:

The future growth of cannabis use in California would be assessed on a variety of factors which would the following parameters. This is not an exhaustive list but the key components examined in creating a model for future demand.

### California Demand for Cannabis:

Estimating the future growth of cannabis demand in California is based on at least five variables.

- The Population Growth in the state
- The Number of Cannabis Users (% of Target population using cannabis)
- The Type of Cannabis User (Annual User, Monthly User or First Time User)
- The Amount of Consumption by the Type of Cannabis User
- The Price of Cannabis

Other Considerations which May Impact Market Demand for Cannabis:

- Export /Import to other states
- Visitors to the state
- Elimination of Cannabis from the Federal Controlled Substances List
- The 6 Plants for Personal Use
- The Unregulated Market

Determining the % of Market Share

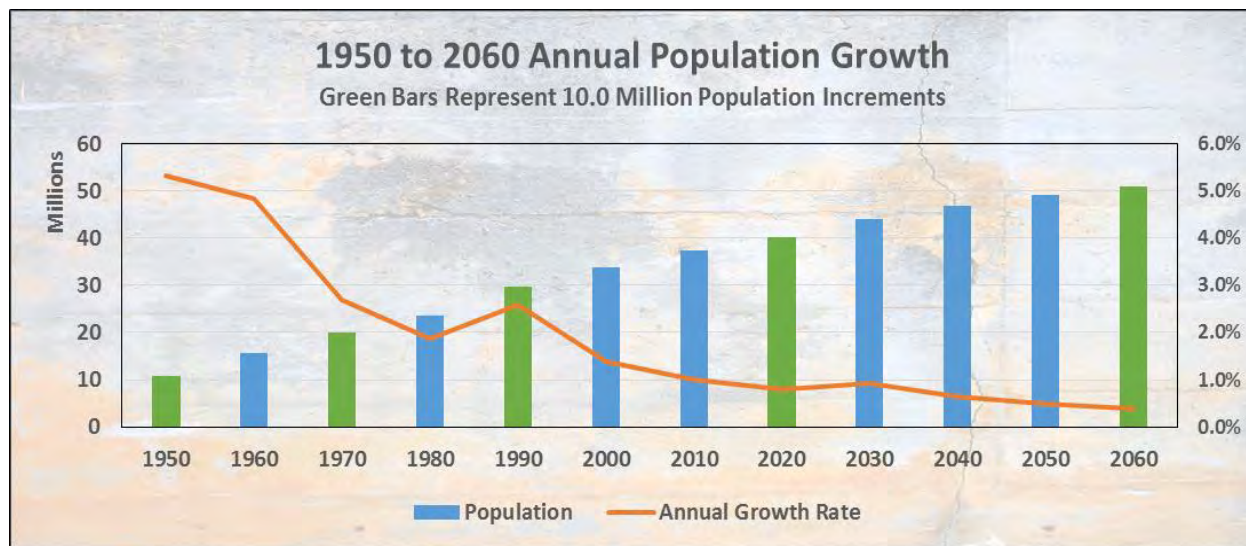
## Population Growth

The total population projection for California in the year 2060 is 50,975,904 according to the State of California Department of Finance. The California growth rate has slowed considerably since 1950 when the annual growth rate was 5.3%. By 1980 the annual rate had dropped to 1.83% and then rose to about 2.57% in 1990 and has declined ever since. By the year 2000, the annual growth rate was 1.38% and by 2010 had fallen to 1.0% and is expected to be 0.81% by the year 2020. Between 2020 and 2060 the average annual growth rate is expected to average 0.67% per year.

The age 21 and older age group was expected to be 29,903,072 in the Year 2021 and 39,920,843 in the year 2060. The average annual growth rate for the age group is estimated to average 0.859% per year for the 39 year period, higher than the total state population growth rate of 0.67% annually. The following chart shows the total population in 10 year periods and the annual growth between 1950 and 2060.

Q-61  
cont'd

Q-62

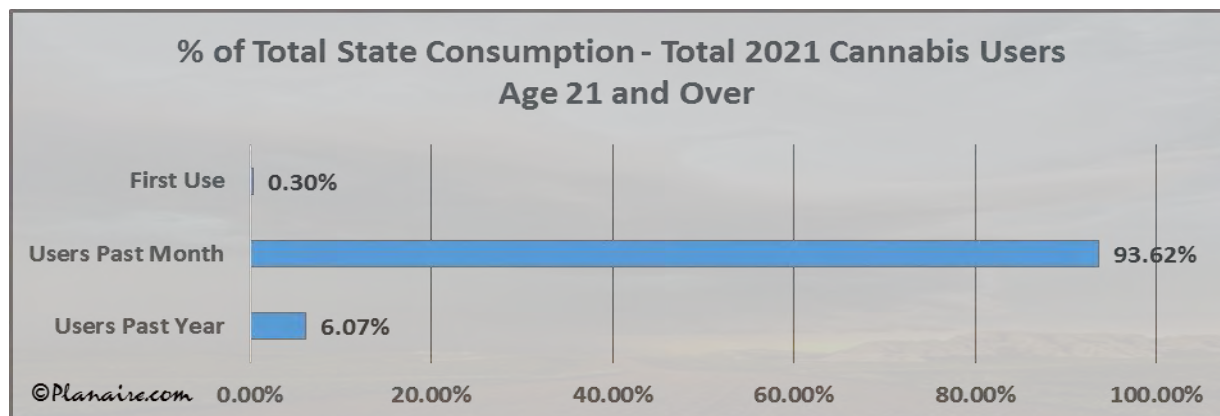
Q-62  
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### The Number of Users (% of target population using cannabis)

Users are measured by the percentage of people within the age group studied who use cannabis each year. In the Age 21 and Older category, 14.37% of the 21 and older population used cannabis in 2015. The number grew to 15.63% in 2016, and was projected to reach 18.48% in 2018 and 23.84% in 2021. Future growth rates are assumed to be various scenarios described later in this document.

### The Type of Cannabis User and Average Consumption Rates

The use rates published by the NSDUH provides information for use rates in three different categories; Use Past Year, Use Past Month and First Cannabis Use. The Annual users consume on average 3.5 grams per month, the Monthly users consume 21 grams per month and the First Use category consumes 0.5 grams per month. As shown on the following chart the monthly users account for almost 95% of all cannabis consumption.

Q-62  
cont'd

### The Price of Cannabis

If cannabis were free, there would probably be many more users. Cannabis is expensive to grow Indoors and in Mixed-light environments and less expensive to grow outdoors. There is a great deal of labor involved in cultivation and even more labor is required in the trimming of the flowers. Cannabis needs water, good soils, certain nutrients and management to keep the crop free of pests and disease. When grown Indoors or in a Mixed-light facility, substantial electrical power is often used.

Cannabis is purchased both from the Regulated Market as well as the Unregulated Market and price varies between the two. Price also varies between medical cannabis and recreational cannabis as well as the quality; High, Medium and Low. An aggregate average price per gram in February 2019 was \$11.79. For larger purchases, 1/8 ounce (3.5 grams) the price was less and averaged \$9.48 per gram. At these prices an Annual User 3.5 grams per month would spend about \$41.26 per month on cannabis. The Monthly User 21 grams per month would spend about \$199.08 per month and the First Time User about \$5.89 per month on cannabis.

Q-63

Price would be a factor in cannabis use for the Monthly User.

### Visitors to the State

In 2016, according to Visit California, 268 million tourists visited California and 75% were from California, 18% from other states and 7% from outside the country. The 18% of out of state visitors represents about 48.24 million people and if the average visitor time in the state was 4 days. Of these visitors about 75% would be over the age of 21 and based on the average use rate of 23.84% of adults who use cannabis, could purchase some cannabis while in California. Now if 25% arrived by car they could take more cannabis

Q-64

home than the 75% who arrived by plane. Assuming that those who arrived by car purchased each purchased 21 grams, a one month supply for monthly users and the other 75% who came by plane and may risk search or delay leaving the state, purchased only 3.5 grams, which is the amount an average user consumes in a month. The total quantity purchased by these visitors equal about 112,300 pounds. This is a relatively modest number when compared to the total consumption in California and represents about 6.55%% of the total state use of cannabis in 2016. By 2021 the visitor amount increases to 142,508 pounds, about 4.82% of the California consumption.

Assuming that visitors to the state will continue to increase 5.38% per year, at the year 2060 visitor consumption could account for 378,135 pounds of cannabis, or about 4.13% of the total use in the state.

Q-64  
cont'd

### **Export/Import to Other States**

Exporting cannabis out of state is illegal. If all 50 states adopted cultivation laws, there may be a potential for interstate commerce of cannabis, if of course the Federal government allowed the activity. If this were to occur exporting as well as imports of cannabis are conceivable.

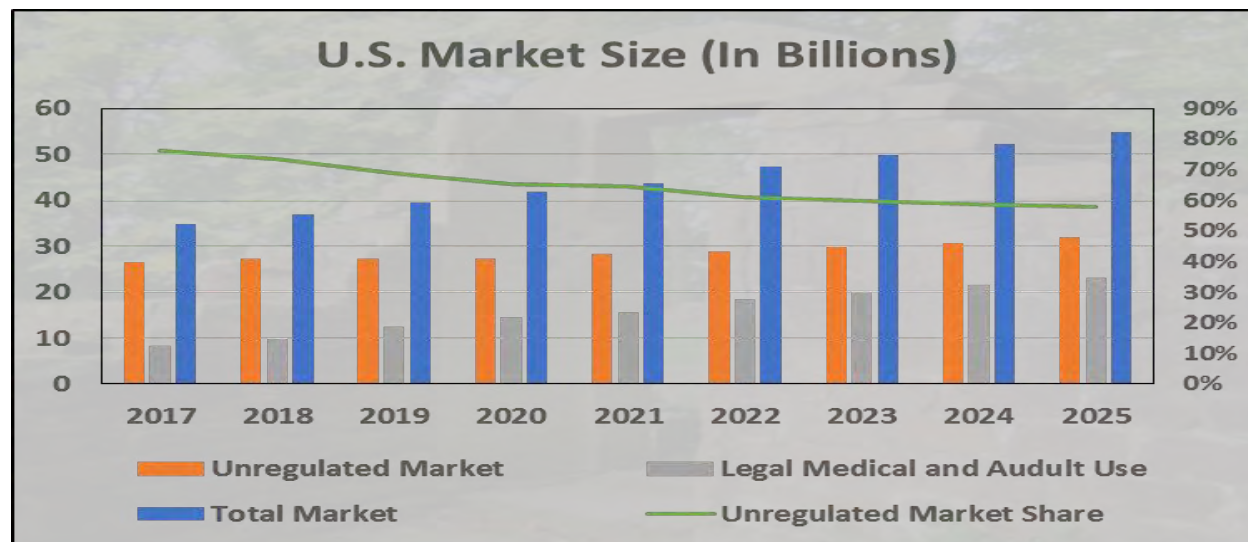
The higher likelihood event is that cannabis would be Federally rescheduled and taken off the dangerous substances list entirely. In that event, cultivation of cannabis could be more like wine or beer and could be sold everywhere. There would probably be a few very large growers a few small growers and not much else in between. The prices would probably collapse, and the Big Ag farmers may on their tractors harvesting huge crops of cannabis as even with lower prices it would still be more valuable than wheat or corn per acre. Local controls would be questionable since there would be no Federal laws backing up enforcement. This could be virtually a free-for-all situation, and making any type of worthwhile guess as what the future holds in this situation is difficult. Oregon has some legislation pending which allow for sales of cannabis across state lines. Interstate Commerce is an area the Federal government would have some jurisdiction and considering their current attitude towards cannabis the Oregon initiative may not have much of a chance in being implemented.

Q-65

### **The Unregulated Market**

The following chart pretty well sums up the size of the unregulated market, and at least in the near term there is a great of cannabis supplied by the unregulated operators.

Q-66



Source of Information: Frontier Financial Group, Inc. 2018

Q-66  
cont'd

### The 6 Plants for Personal Use:

The voters decided to allow for personal consumption of 6 plants with the passage of Proposition 64 in 2016. The County has provided proposed regulations as to where these plants could be cultivated and bedrooms and kitchens are specifically prohibited as locations where individuals can cultivate cannabis. The Board of Supervisors also determined that all properties smaller than 5 acres can only cultivate indoors and that RA-Rural, RA-Estate, AG, AE, FR and TPZ may grow up to 6 plants outdoors.

Apartment dwellers, mobile home parks and other high density projects may have a difficult cultivating 6 plants indoors as well as other properties which may not have garages or other space suitable for cultivation. Lake Wildwood, Alta Sierra and Lake of the Pines may have other restrictions though their respective CC and R's or Homeowners Associations which may limit the placement of the 6 plants.

Q-67

Cannabis cultivation requires a great deal of work, some level of expertise and can be expensive indoors because of the initial setup up costs (maybe \$75 per square foot according to some estimates, and \$10 to \$17 per square foot outdoors) plus the monthly electric costs. Also to consider is the large time commitment required to water and care for the plants. There are some estimates that have forecast that only about 265,000 people in the entire state will attempt to grow the 6 plants for personal use, according to the Cannabis Conservancy's research. The convenience and availability of retail cannabis for both medical and recreational sales would be far more attractive than

growing small batches at home. A heavy monthly user or a very sick patient may opt for home growing because of the lower cost.

Overall, the 6 plants for personal use will have very little impact on the state demand for cannabis.

Q-67  
cont'd

### **Cannabis Trim, Edibles and other Manufactured Products**

Cannabis trim is the leftover product after the flowers are trimmed and can equal the total weight of the cannabis flowers. Trim is sold and taxed to manufactures who convert the trim into various products including edible goods, tinctures, salves oils and many other products. Estimates vary widely as to the amount of trim or shake that is required to manufacture these products. Often cited are figures like 6% to 20% of the trim amount is required to obtain a comparable amount of cannabis oil.

Q-68

The purpose of this document is to focus on the cannabis flowers and the results of past use and future forecasts are based on the consumption of only the flowers. Other products derived from cannabis are clearly part of the overall cannabis industry but are outside of the scope of the analysis contained in this document. Use of these manufactured products is considered in addition to the use of cannabis flowers.

### **Future Projections of Cannabis Use:**

Past performance is no prediction of future growth, as is said in the financial world. But by looking at past years consumption, past growth rates and trends a forecast a few years is very likely to be somewhat correct. The passage of Proposition 64 in 2016 created an increase in use of cannabis, but after the excitement has passed growth rates are expected to increase but not at the same pace as between 2016 and 2017. While the overall use rates have increased from 14.37% in 2015 to 18.49% in 2018, growth rates beyond to the year 2021 which was estimated on the high side at 23.84%, would begin to flatten out. Only four states had about 25% of the population over the age of 12 in 2016 and California at about a 16% use rate for that age group. The industry is not marketing to 12 year olds, but the data compiled by the NSDUH does. If California were to reach 25% then Colorado, Oregon, Vermont and Alaska would be much higher. What these figures show is that California has a big demand for cannabis because of the population but on a per user basis, the state is only about 2% higher than the nation average of 14%.

Q-69

Population growth is slowing down in California. Between 1950 and 1970, the population grew by 10 million people in this 20 year period. The next 20 years added another 10

million people it will take nearly thirty year to add another 10 million people which was between 1990 and 2020. From 2020 to 2060, another 10 million people will be added to the state population, but this time it will take 40 years.

The following tables show the actual consumption and use rates by category for the years 2015 and 2016 with short term projections for 2018 and 2021. Following those there are a series of assumptions for the year between 2021 and 2060. The population forecast data obtained from the state only are projected out to 2060. Following is a brief summary of each of the forecasts.

**2060 Option A:** Uses the same consumption rates and percentage of users as the Year 2021. The population growth increases the total pounds of demand.

**2060 Option B:** Increases the percentage of use for the annual user and monthly user. The consumption rate stays the same.

**2060 Option C:** Increases the annual user to 100% of the 21 and older age group and raises the monthly user percentage. The consumption rates stay the same.

**2060 Option D:** Brings the annual user and monthly user percentages back to the Option B numbers and raises the consumption rates by 50% over the baseline.

**2060 Option E:** Increases the annual user to 100% of the 21 and older age group and raises the monthly user percentage like in Option C. The consumption rates increase by 50% over the baseline.

**2060 Option F:** Targets a 50% overall use rate and raises the consumption rate to 25% over the baseline.

Since California is never going to have more than 100% of the adult population using cannabis, the only available growth is the conversion from annual users to monthly users or increasing the overall consumption rate per user. These options that follow have explored various scenarios to layout a series different variables for comparison. Other alternatives could be tested as well, but in the end there is still a finite legal market.

### Monthly Expenditures:

Average costs are also included for comparative purposes. Monthly users have the highest costs associated with cannabis consumption and they also represent about 95% of all cannabis use.

Q-69  
cont'd

Q-70

**Notes:**

The visitor use is not included on the following tables for determining the state demand for cannabis.

All rates of use and annual volumes are expressed for adults 21 years and older.

Very little information is publically available for use rates in any category.

All quantiles are represented as dried, cured and trimmed cannabis flowers either in grams or in pounds.

Q-71

|                                                                              |                    |             |                                     |             |             |                 |                           |             |           |                     |               |              |                           |
|------------------------------------------------------------------------------|--------------------|-------------|-------------------------------------|-------------|-------------|-----------------|---------------------------|-------------|-----------|---------------------|---------------|--------------|---------------------------|
| February 21, 2019                                                            | Population         |             | % of Age 21 and Over Using Cannabis |             |             | Annual Use Rate | Consumption Grams / Month |             |           | Annual Growth Rates |               |              | Annual Pounds Consumption |
| Plan-aire.com                                                                | Annual Growth Rate | 21 and Over | Annual Use                          | Monthly Use | First Use   |                 | Annual Use                | Monthly Use | First Use | Annual Users        | Monthly Users | Total Pounds |                           |
| <b>2015 California Use of Cannabis Age 21 and Over: Data NSDUH</b>           |                    |             |                                     |             |             | <b>14.37%</b>   |                           |             |           |                     |               |              | <b>1,537,278</b>          |
| Age 21 to 25                                                                 |                    | 2,898,436   | 32.72%                              | 20.52%      | 8.17%       |                 | 3.5                       | 21          | 0.5       |                     |               |              |                           |
| Age 26 and Up                                                                |                    | 25,293,432  | 12.25%                              | 7.90%       | 0.42%       |                 | 3.5                       | 21          | 0.5       |                     |               |              |                           |
| Total                                                                        |                    | 27,967,604  | 4,019,341                           | 2,575,223   | 342,093     |                 |                           |             |           |                     |               |              |                           |
| <b>Annual Pounds per Person By Use Type</b>                                  |                    |             | <b>0.38</b>                         | <b>0.56</b> | <b>0.01</b> |                 |                           |             |           |                     |               |              |                           |
| <b>2016 California Use of Cannabis Age 21 and Over: Data NSDUH</b>           |                    |             |                                     |             |             | <b>15.63%</b>   |                           |             |           | 9.79%               | 11.79%        | 11.50%       | <b>1,714,109</b>          |
| Age 21 to 25                                                                 | 1.34%              | 2,937,409   | 33.98%                              | 23.09%      | 7.57%       |                 | 3.5                       | 21          | 0.5       |                     |               | Annual       |                           |
| Age 26 and Up                                                                | 0.00%              | 25,293,432  | 13.50%                              | 8.70%       | 0.48%       |                 | 3.5                       | 21          | 0.5       |                     |               | Avg. Over    |                           |
| Total                                                                        | 0.94%              | 28,230,841  | 4,412,745                           | 2,878,776   | 343,770     |                 |                           |             |           |                     |               | 1 Year       |                           |
| <b>Annual Pounds per Person By Use Type</b>                                  |                    |             | <b>0.39</b>                         | <b>0.56</b> | <b>0.01</b> |                 |                           |             |           |                     |               |              |                           |
| <b>2018 California Use of Cannabis Age 21 and Over: Projected</b>            |                    |             |                                     |             |             | <b>18.49%</b>   |                           |             |           | 16.45%              | 20.01%        | 12.30%       | <b>2,135,644</b>          |
| Age 21 to 25                                                                 | 0.86%              | 2,987,956   | 36.65%                              | 29.24%      | 6.50%       |                 | 3.5                       | 21          | 0.5       |                     |               | Annual       |                           |
| Age 26 and Up                                                                | 1.19%              | 25,896,279  | 16.40%                              | 10.55%      | 0.63%       |                 | 3.5                       | 21          | 0.5       |                     |               | Avg. Over    |                           |
| Total                                                                        | 1.16%              | 28,884,235  | 5,342,076                           | 3,605,736   | 357,364     |                 |                           |             |           |                     |               | 2 Years      |                           |
| <b>Annual Pounds per Person By Use Type</b>                                  |                    |             | <b>0.40</b>                         | <b>0.56</b> | <b>0.01</b> |                 |                           |             |           |                     |               |              |                           |
| <b>2021 California Use of Cannabis Age 21 and Over: Projected</b>            |                    |             |                                     |             |             | <b>23.84%</b>   |                           |             |           | *                   | 12.31%        | 14.97%       | <b>2,958,185</b>          |
| Age 21 to 25                                                                 | -0.14%             | 2,975,633   | 41.05%                              | 41.65%      | 5.17%       |                 | 3.5                       | 21          | 0.5       |                     |               | Annual       |                           |
| Age 26 and Up                                                                | 1.33%              | 26,927,439  | 21.94%                              | 14.09%      | 0.94%       |                 | 3.5                       | 21          | 0.5       |                     |               | Avg. Over    |                           |
| Total                                                                        | 1.18%              | 29,903,072  | 7,129,377                           | 5,033,427   | 406,958     |                 |                           |             |           |                     |               | 5 Years      |                           |
| <b>Annual Pounds per Person By Use Type</b>                                  |                    |             | <b>0.41</b>                         | <b>0.56</b> | <b>0.01</b> |                 |                           |             |           |                     |               |              |                           |
| <b>2060 Option A - California Use of Cannabis Age 21 and Over: Projected</b> |                    |             |                                     |             |             | <b>23.43%</b>   |                           |             |           | 0.80%               | 0.74%         | 0.75%        | <b>3,827,043</b>          |
| Age 21 to 25                                                                 | 0.11%              | 3,108,629   | 41.05%                              | 41.65%      | 5.17%       |                 | 3.5                       | 21          | 0.5       |                     |               | Annual       |                           |
| Age 26 and Up                                                                | 0.94%              | 36,812,214  | 21.94%                              | 14.09%      | 0.94%       |                 | 3.5                       | 21          | 0.5       |                     |               | Avg. Over    |                           |
| Total ****                                                                   | 0.86%              | 39,920,843  | 9,352,692                           | 6,481,585   | 506,751     |                 |                           |             |           |                     |               | 39 Years     |                           |
| <b>Annual Pounds per Person By Use Type</b>                                  |                    |             | <b>0.41</b>                         | <b>0.56</b> | <b>0.01</b> |                 |                           |             |           |                     |               |              |                           |
| <b>2060 Option B - California Use of Cannabis Age 21 and Over: Projected</b> |                    |             |                                     |             |             | <b>41.95%</b>   |                           |             |           | 3.46%               | 2.92%         | 2.95%        | <b>6,360,614</b>          |
| Age 21 to 25                                                                 | 0.11%              | 3,108,629   | 65.00%                              | 50.00%      | 10.00%      |                 | 3.5                       | 21          | 0.5       |                     |               | Annual       |                           |
| Age 26 and Up                                                                | 0.94%              | 36,812,214  | 40.00%                              | 25.00%      | 5.00%       |                 | 3.5                       | 21          | 0.5       |                     |               | Avg. Over    |                           |
| Total ****                                                                   | 0.86%              | 39,920,843  | 16,745,494                          | 10,757,368  | 2,151,474   |                 |                           |             |           |                     |               | 39 Years     |                           |
| <b>Annual Pounds per Person By Use Type</b>                                  |                    |             | <b>0.38</b>                         | <b>0.56</b> | <b>0.01</b> |                 |                           |             |           |                     |               |              |                           |

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|                                                                                                                                       |             |             |                                           |             |             |                |                                                                                |             |           |                     |         |           |                   |
|---------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------------------------------------|-------------|-------------|----------------|--------------------------------------------------------------------------------|-------------|-----------|---------------------|---------|-----------|-------------------|
| February 21, 2019                                                                                                                     | Population  |             | % of Age 21 and Over Using Cannabis       |             |             | Annual Use     | Consumption Grams / Month                                                      |             |           | Annual Growth Rates |         |           | Annual Pounds     |
| Plan-aire.com                                                                                                                         | Annual      | 21 and Over | Annual Use                                | Monthly Use | First Use   | Use            | Annual Use                                                                     | Monthly Use | First Use | Annual              | Monthly | Total     | Consumption       |
|                                                                                                                                       | Growth Rate |             |                                           |             |             | Rate           |                                                                                |             |           | Users               | Users   | Pounds    |                   |
| <b>2060 Option C - California Use of Cannabis Age 21 and Over: Projected</b>                                                          |             |             |                                           |             |             | <b>100.00%</b> |                                                                                |             |           | 11.79%              | 4.95%   | 6.41%     | <b>10,354,754</b> |
| Age 21 to 25                                                                                                                          | 0.11%       | 3,108,629   | 100.00%                                   | 60.00%      | 10.00%      |                | 3.5                                                                            | 21          | 0.5       |                     |         | Annual    |                   |
| Age 26 and Up                                                                                                                         | 0.94%       | 36,812,214  | 100.00%                                   | 35.00%      | 5.00%       |                | 3.5                                                                            | 21          | 0.5       |                     |         | Avg. Over |                   |
| Total ****                                                                                                                            | 0.86%       | 39,920,843  | 39,920,843                                | 14,749,452  | 2,151,474   |                |                                                                                |             |           |                     |         | 39 Years  |                   |
| <b>Annual Pounds per Person By Use Type</b>                                                                                           |             |             | <b>0.26</b>                               | <b>0.56</b> | <b>0.01</b> |                |                                                                                |             |           |                     |         |           |                   |
| <b>2060 Option D - California Use of Cannabis Age 21 and Over: Projected</b>                                                          |             |             |                                           |             |             | <b>41.95%</b>  | **                                                                             | **          | **        | 3.46%               | 2.92%   | 5.71%     | <b>9,540,694</b>  |
| Age 21 to 25                                                                                                                          | 0.11%       | 3,108,629   | 65.00%                                    | 50.00%      | 10.00%      |                | 5.3                                                                            | 31.5        | 0.75      |                     |         | Annual    |                   |
| Age 26 and Up                                                                                                                         | 0.94%       | 36,812,214  | 40.00%                                    | 25.00%      | 5.00%       |                | 5.3                                                                            | 31.5        | 0.75      |                     |         | Avg. Over |                   |
| Total ****                                                                                                                            | 0.86%       | 39,920,843  | 16,745,494                                | 10,757,368  | 2,151,474   |                |                                                                                |             |           |                     |         | 39 Years  |                   |
| <b>Annual Pounds per Person By Use Type</b>                                                                                           |             |             | <b>0.57</b>                               | <b>0.83</b> | <b>0.02</b> |                |                                                                                |             |           |                     |         |           |                   |
| <b>2060 Option E - California Use of Cannabis Age 21 and Over: Projected</b>                                                          |             |             |                                           |             |             | <b>100.00%</b> | **                                                                             | **          | **        | 11.79%              | 4.95%   | 10.90%    | <b>15,531,905</b> |
| Age 21 to 25                                                                                                                          | 0.11%       | 3,108,629   | 100.00%                                   | 60.00%      | 10.00%      |                | 5.3                                                                            | 31.5        | 0.75      |                     |         | Annual    |                   |
| Age 26 and Up                                                                                                                         | 0.94%       | 36,812,214  | 100.00%                                   | 35.00%      | 5.00%       |                | 5.3                                                                            | 31.5        | 0.75      |                     |         | Avg. Over |                   |
| Total ****                                                                                                                            | 0.86%       | 39,920,843  | 39,920,843                                | 14,749,452  | 2,151,474   |                |                                                                                |             |           |                     |         | 39 Years  |                   |
| <b>Annual Pounds per Person By Use Type</b>                                                                                           |             |             | <b>0.39</b>                               | <b>0.83</b> | <b>0.02</b> |                |                                                                                |             |           |                     |         |           |                   |
| <b>2060 Option F - California Use of Cannabis Age 21 and Over: Projected</b>                                                          |             |             |                                           |             |             | <b>51.17%</b>  | ***                                                                            | ***         | ***       | 4.78%               | 3.77%   | 5.56%     | <b>9,367,391</b>  |
| Age 21 to 25                                                                                                                          | 0.11%       | 3,108,629   | 65.00%                                    | 45.00%      | 5.00%       |                | 4.375                                                                          | 26.25       | 0.625     |                     |         | Annual    |                   |
| Age 26 and Up                                                                                                                         | 0.94%       | 36,812,214  | 50.00%                                    | 30.00%      | 5.00%       |                | 4.375                                                                          | 26.25       | 0.625     |                     |         | Avg. Over |                   |
| Total ****                                                                                                                            | 0.86%       | 39,920,843  | 20,426,716                                | 12,442,547  | 1,996,042   |                |                                                                                |             |           |                     |         | 39 Years  |                   |
| <b>Annual Pounds per Person By Use Type</b>                                                                                           |             |             | <b>0.46</b>                               | <b>0.69</b> | <b>0.02</b> |                |                                                                                |             |           |                     |         |           |                   |
| * Note The Growth Rate was an Average over 5 years which included the bump in Use Rates associated with the passage of Proposition 64 |             |             |                                           |             |             |                |                                                                                |             |           |                     |         |           |                   |
| ** Double the Standard Monthly Use Rate                                                                                               |             |             | *** 125% of the Standard Monthly Use Rate |             |             |                | **** The California Population Annual Growth Rate has Declined From 2016 Rates |             |           |                     |         |           |                   |

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| Cost per Gram - California As of February 11, 2019                                                                                                |                    |                         |                        |                     |                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------|------------------------|---------------------|------------------|
| Plan-aire.com                                                                                                                                     |                    |                         |                        |                     |                  |
| Quality                                                                                                                                           | Dispensary Medical | Dispensary Recreational | Street Medical         | Street Recreational | Average Per Gram |
| Low Quality                                                                                                                                       | \$ 12.30           | \$ 10.05                | \$ 9.58                | \$ 10.40            | \$ 10.58         |
| Medium                                                                                                                                            | \$ 12.26           | \$ 12.05                | \$ 10.85               | \$ 11.96            | \$ 11.78         |
| High                                                                                                                                              | \$ 13.95           | \$ 13.09                | \$ 12.87               | \$ 12.11            | \$ 13.01         |
| Average                                                                                                                                           | \$ 12.84           | \$ 11.73                | \$ 11.10               | \$ 11.49            | \$ 11.79         |
| Cost per 1/8 Ounce - California (3.54 grams per Ounce - Use 3.5)                                                                                  |                    |                         |                        |                     |                  |
| Low Quality                                                                                                                                       | \$ 40.71           | \$ 25.00                | \$ 35.00               | \$ 25.83            | \$ 9.04          |
| Medium                                                                                                                                            | \$ 40.06           | \$ 34.38                | \$ 38.33               | \$ 23.50            | \$ 9.73          |
| High                                                                                                                                              | \$ 42.42           | \$ 32.92                | \$ 38.85               | \$ 21.15            | \$ 9.67          |
| Average                                                                                                                                           | \$ 41.06           | \$ 30.77                | \$ 37.39               | \$ 23.49            | \$ 9.48          |
| Average in Grams                                                                                                                                  | \$ 11.73           | \$ 8.79                 | \$ 10.68               | \$ 6.71             | \$ 9.48          |
| ***** Monthly Users Would Probably by Cannabis in 1/8 Ounce Sizes (3.5 Grams)                                                                     |                    |                         |                        |                     |                  |
| Which Sell for Less per Gram                                                                                                                      |                    |                         |                        |                     |                  |
| Monthly Expenditure on Cannabis by Type of User                                                                                                   |                    |                         |                        |                     |                  |
| Consumption Grams / Month                                                                                                                         |                    |                         | Average Cost Per Month |                     |                  |
| Annual Use                                                                                                                                        | Monthly Use        | First Use               | Annual                 | Monthly             | First Use        |
|                                                                                                                                                   |                    |                         | *****                  |                     |                  |
| 3.5                                                                                                                                               | 21                 | 0.5                     | \$ 41.26               | \$ 199.08           | \$ 5.89          |
| 5.3                                                                                                                                               | 31.5               | 0.8                     | \$ 61.89               | \$ 298.61           | \$ 8.84          |
| 4.375                                                                                                                                             | 26.250             | 0.625                   | \$ 51.58               | \$ 248.84           | \$ 7.37          |
| Estimated California Market Sales at \$10.00 Gram - Projected                                                                                     |                    |                         |                        |                     |                  |
| 2015                                                                                                                                              | \$ 6,972,938,993   | 2060 - B                | \$ 28,851,107,412      |                     |                  |
| 2016                                                                                                                                              | \$ 7,775,025,813   | 2060 - C                | \$ 46,968,130,833      |                     |                  |
| 2018                                                                                                                                              | \$ 9,687,065,948   | 2060 - D                | \$ 43,275,632,398      |                     |                  |
| 2021                                                                                                                                              | \$ 13,418,030,929  | 2060 - E                | \$ 70,451,167,530      |                     |                  |
| 2060 - A                                                                                                                                          | \$ 17,359,086,081  | 2060 - F                | \$ 42,489,550,824      |                     |                  |
| In Options C, E & F over \$1,000 per Person would be spent in the State annually for cannabis in the Year 2060 Based on Population over Age of 21 |                    |                         |                        |                     |                  |

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## Summary of Forecasts

Based on the different forecasts the 2060 demand for cannabis ranged from about 4.0 million pounds to over 15.0 million pounds plus the visitors to the state. The highest ranges assumed 100% use of cannabis by all adults over 21 and the lowest use assumed the same rate of use as the year 2021 with about 23.5% being cannabis users. Option D, which closely coincided with the average of all options, showed consumption at about 9.5

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million pounds and assumed a 41.95% overall use rate of the overall population 21 and older. This option forecast 65% of these users being at least annual users of cannabis, 50% being monthly users and 10% being first time users in the age 21 to 25 age group and 40% annual, 25% monthly and 5% first time users in the 26 and older age group. The lowest option reflected a 0.75% annual growth rate while Option D reflected a 5.71% annual growth rate in the amount of cannabis consumed. In comparison the annual growth rate between 2016 and 2021 was 14.52% in the amount consumed. Two of the options show 100% cannabis use for all adults over the age of 21 so a total consumption analysis could be compared. The projected use for the year 2060, when Options A through F are averaged, about 9,164,000 pounds of cannabis could be consumed by California residents, plus the visitor use.

The visitor share remained constant for each of the options studied. The annual growth rate for visitors was estimated at 5.38%. The original estimate was prepared based on 2016 data and with the average growth rate visitors could account for about 380,000 pounds of consumption in 2060.

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| Averaging the Results of the Forecasts                   |                             |                |                                  |                                           |
|----------------------------------------------------------|-----------------------------|----------------|----------------------------------|-------------------------------------------|
| Option                                                   | Projected State Use in 2060 | Visitors *     | Average Use Rate Age 21 and Over | Average Annual Growth Rate in Consumption |
| Year 2015                                                | 1,537,278                   |                | 14.37%                           |                                           |
| Year 2016                                                | 1,714,109                   | 112,300        | 15.63%                           | 11.50%                                    |
| Year 2018                                                | 2,135,644                   | 124,383        | 18.49%                           | 12.30%                                    |
| Year 2021                                                | 2,958,185                   | 142,508        | 23.84%                           | 14.52%                                    |
| Option A                                                 | 3,827,043                   | 378,135        | 23.43%                           | 0.75%                                     |
| Option B                                                 | 6,360,614                   | 378,135        | 41.95%                           | 2.95%                                     |
| Option C                                                 | 10,354,754                  | 378,135        | 100.00%                          | 6.41%                                     |
| <b>Option D</b>                                          | <b>9,540,694</b>            | <b>378,135</b> | <b>41.95%</b>                    | <b>5.71%</b>                              |
| Option E                                                 | 15,531,905                  | 378,135        | 100.00%                          | 10.90%                                    |
| Option F                                                 | 9,367,391                   | 378,135        | 51.17%                           | 5.56%                                     |
|                                                          |                             | Average        | 43.08%                           | 7.84%                                     |
| <b>Average</b>                                           | <b>9,163,734</b>            | <b>378,135</b> | <b>9,541,869</b>                 | <b>Total Use</b>                          |
| * Visitors Growth Rate 5.38% Annually                    |                             |                |                                  |                                           |
| Years 2015 though 2021 Ere Not Considered in the Average |                             |                |                                  |                                           |
| February 21, 2019 Plan-aire.com                          |                             |                |                                  |                                           |

## Representative Calculation Details: Year 2021

The user rate information, growth rates and consumption amounts by type of user were obtained from the 2016-2017 NSDUH data. Population figures were obtained from the State of California Department of Finance.

| 2021 California Use of Cannabis Age 21 and Over |                         |                  |                  |                |                                               |                     |               |
|-------------------------------------------------|-------------------------|------------------|------------------|----------------|-----------------------------------------------|---------------------|---------------|
|                                                 | Population              | Annual Use       | Monthly Use      | First Use      |                                               |                     |               |
| 21 to 25                                        | 21 and Over             |                  |                  |                |                                               |                     |               |
|                                                 |                         | <b>41.05%</b>    | <b>41.65%</b>    | <b>5.17%</b>   | User Rate Increased Based on 2015-2016 Growth |                     |               |
|                                                 | 2,975,633               | 1,221,497.3      | 1,239,351.1      | 153,840.2      | Baseline Consumption Rate 2016 NSDUH          |                     |               |
| 26 and Up                                       |                         | <b>21.94%</b>    | <b>14.09%</b>    | <b>0.94%</b>   | User Rate Increased Based on 2015-2016 Growth |                     |               |
|                                                 | 26,927,439              | 5,907,880        | 3,794,076        | 253,118        | % of Age 21 and Over Using Annually           |                     |               |
| Total                                           | <b>29,903,072</b>       | <b>7,129,377</b> | <b>5,033,427</b> | <b>406,958</b> |                                               | <b>23.84%</b>       |               |
|                                                 | Total Consumption Rates | Consumption      | Monthly          | Yearly         | Yearly                                        | Average             |               |
|                                                 | Age 21 and Older        | Grams/ Month     | Consumption      | Consumption    | Consumption                                   | Pounds of           |               |
|                                                 | Revised 5-30-2018       |                  | Grams            | Grams          | Pounds                                        | Consumption         |               |
|                                                 |                         |                  |                  |                | 12                                            | 453.59              | Per User Type |
|                                                 | 7,129,377               | 1,688,992        | 3.5              | 5,911,472      | 70,937,664                                    | 156,392             | 0.0926        |
|                                                 | 5,033,427               | 5,033,427        | 21               | 105,701,973    | 1,268,423,679                                 | 2,796,410           | 0.5556        |
|                                                 | 406,958                 | 406,958          | 0.5              | 203,479        | 2,441,749                                     | 5,383               | 0.0132        |
| Plan-aire.com                                   | February 10, 2019       | 7,129,377        |                  |                |                                               | <b>2,958,184.91</b> | 0.4149        |

| Rate of Growth in Total Pounds Consumed  |                          |            |                |
|------------------------------------------|--------------------------|------------|----------------|
| Age 21 and Over Growth Rate 2016-2021    |                          | 2021       | 2,958,184.91   |
| Revised February 10, 2019                |                          | 2016       | 1,714,108.74   |
|                                          |                          | Difference | 1,244,076.17   |
| Based on Difference Between the Years    | Growth Rate over 5 Years |            | <b>42.055%</b> |
|                                          | Annual Growth Rate       |            | 8.41%          |
| Based on 2021 / 2016 Total Growth - 100% | Growth Rate Since 2016   |            | <b>72.579%</b> |
| Plan-aire.com                            | Annual Growth Rate       |            | <b>14.52%</b>  |

|                                                         |  |  |            |                          |                          |               |            |
|---------------------------------------------------------|--|--|------------|--------------------------|--------------------------|---------------|------------|
|                                                         |  |  |            |                          | Calculated by Difference |               | Population |
|                                                         |  |  |            |                          | / Year 2021              |               | Age 21     |
| Rate of Growth in Total Number of Users Age 21 and Over |  |  |            |                          | Total Users              | Monthly Users | and Over   |
| Age 21 and Over Growth Rate 2016-2021                   |  |  |            | 2021                     | 7,129,377                | 5,033,427     | 29,903,072 |
| Revised February 10, 2019                               |  |  |            | 2016                     | 4,412,745                | 2,878,776     | 28,230,841 |
|                                                         |  |  | Difference |                          | 2,716,633                | 2,154,651     | 1,672,231  |
| Based on Difference Between the Years                   |  |  |            | Growth Rate over 5 Years | 38.105%                  | 42.807%       |            |
|                                                         |  |  |            | Annual Growth Rate       | 7.621%                   | 8.561%        |            |
| Based on 2021 / 2016 Total Growth - 100%                |  |  |            | Growth Rate Since 2016   | 61.563%                  | 74.846%       | 5.923%     |
|                                                         |  |  |            | Annual Growth Rate       | 12.313%                  | 14.969%       | 1.185%     |
| Age 12 and Older Growth Rate 2016-2021                  |  |  |            | 2021                     | 7,746,480                | 5,572,152     |            |
|                                                         |  |  |            | 2016                     | 5,387,185                | 3,488,559     |            |
|                                                         |  |  | Difference |                          | 2,359,294                | 2,083,593     |            |
| Based on Difference Between the Years                   |  |  |            | Growth Rate over 5 Years | 30.456%                  | 37.393%       |            |
|                                                         |  |  |            | Annual Growth Rate       | 6.091%                   | 7.479%        |            |
| Based on 2021 / 2016 Total Growth - 100%                |  |  |            | Growth Rate Since 2016   | 43.795%                  | 159.726%      |            |
| Plan-aire.com                                           |  |  |            | Annual Growth Rate       | 8.759%                   | 31.945%       |            |

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## Representative Calculation Details: Option D – Year 2060

| 2060 Option D |                         | 2060 California Use of Cannabis Age 21 and Over |             |                |                                                |              |        |
|---------------|-------------------------|-------------------------------------------------|-------------|----------------|------------------------------------------------|--------------|--------|
|               | Population              | Annual Use                                      | Monthly Use | First Use      |                                                |              |        |
|               | 21 and Over             |                                                 |             |                | Population Growth and 50% of 21 and Over Using |              |        |
| 21 to 25      |                         | 65.00%                                          | 50.00%      | 10.00%         | 50% Annual Users, 45% Monthly Users            |              |        |
|               | 3,108,629               | 2,020,608.9                                     | 1,554,314.5 | 310,862.9      | 200% Consumption Rate per User over 2021       |              |        |
| 26 and Up     |                         | 40.00%                                          | 25.00%      | 5.00%          | 40% Annual Users, 25% Monthly Users            |              |        |
|               | 36,812,214              | 14,724,886                                      | 9,203,054   | 1,840,611      | % of Age 21 and Over Using Annually            |              |        |
| Total         | 39,920,843              | 16,745,494                                      | 10,757,368  | 2,151,474      |                                                | 41.95%       |        |
|               | Total Consumption Rates | Consumption                                     | Monthly     | Yearly         | Yearly                                         | Average      |        |
|               | Age 21 and Older        | Grams/ Month                                    | Consumption | Consumption    | Consumption                                    | Pounds of    |        |
|               | Revised 5-30-2018       |                                                 | Grams       | Grams          | Pounds                                         | Consumption  |        |
|               |                         | 50% Increase                                    |             |                | 12                                             | 453.59       |        |
|               | 16,745,494              | 3,836,653                                       | 5.25        | 20,142,427.46  | 241,709,130                                    | 532,880.20   | 0.1389 |
|               | 10,757,368              | 10,757,368                                      | 31.5        | 338,857,092.00 | 4,066,285,104                                  | 8,964,670.97 | 0.8334 |
|               | 2,151,474               | 2,151,474                                       | 0.75        | 1,613,605.20   | 19,363,262                                     | 42,688.91    | 0.0198 |
|               | February 10, 2019       | 16,745,494                                      |             |                |                                                | 9,540,693.67 | 0.5697 |

| Option D                                | Rate of Growth in Total Pounds Consumed |                                   |            |              |
|-----------------------------------------|-----------------------------------------|-----------------------------------|------------|--------------|
| Rate of Growth in Total Pounds Consumed |                                         |                                   |            |              |
| Age 21 and Over Growth Rate 2021-2060   |                                         |                                   | 2060       | 9,540,693.67 |
| Revised February 10, 2019               |                                         |                                   | 2021       | 2,958,184.91 |
|                                         |                                         |                                   | Difference | 6,582,508.76 |
| Total Annual Users                      |                                         |                                   |            |              |
| 41.95%                                  | Based on Difference Between the Years   | Growth Rate over 39 Years         |            | 68.994%      |
|                                         |                                         | Annual Growth Rate                |            | 1.769%       |
|                                         |                                         | Growth Rate Between 2021 and 2060 |            | 222.519%     |
|                                         |                                         | Annual Growth Rate                |            | 5.71%        |

| Rate of Growth in Total Number of Users Age 21 and Over |  |                           | Total Users | Monthly Users | Population      |
|---------------------------------------------------------|--|---------------------------|-------------|---------------|-----------------|
| Age 21 and Over Growth Rate 2021-2060                   |  | 2060                      | 16,745,494  | 10,757,368    | 39,920,843      |
| Revised February 10, 2019                               |  | 2021                      | 7,129,377   | 5,033,427     | 29,903,072      |
| 2060 Option D                                           |  | Difference                | 9,616,117   | 5,723,941     | Age 21 and Over |
| Based on Difference Between the Years                   |  | Growth Rate over 39 Years | 57.425%     | 42.807%       |                 |
|                                                         |  | Annual Growth Rate        | 1.472%      | 1.098%        |                 |
| Based on 2021 / 2016 Total Growth - 100%                |  | Growth Rate over 39 Years | 134.880%    | 113.719%      | 33.501%         |
|                                                         |  | Annual Growth Rate        | 3.458%      | 2.916%        | 0.859%          |
|                                                         |  | Growth Rate Since 2016    | 379.48%     | 373.68%       |                 |

Notes: Use rates are projected for year 2060. Amount of use per user was increased in this option and the percent of users increased over year 2021.

## Competition for Market Share:

About 10,000 Temporary permits were issued before the December 31, 2018 cutoff date in California and Nevada County based cultivators received 121 of those licenses. Of these licenses 5,996 are still considered active Temporary Cultivation Licenses as of February 9, 2019.

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A quick review of the list shows that Santa Barbara County has over 1,600 active licenses, Humboldt County has a little over 1,000, and Mendocino County about 325, Trinity County about 160, Monterey County about 455, and Los Angeles County about 315 and finally Nevada County with 121. This is by no means a complete list of all the Active Temporary Licenses in the state.

(As of February 10, 2019 there have been a total of 3 annual Medical Cannabis Cultivation Licenses by the State of California and 6 Adult Use Cultivation Licenses issued. There has not been any Provisional Licenses issued for either category).

Needless to say is that there is a great deal of competition from other growers throughout the state for cannabis cultivation licenses. If each grower were to cultivate at 100% capacity of what their existing Temporary License allows, there will be a tremendous amount of cannabis available, which far exceeds the amount which can be used in California. Production rates and excess supply of cannabis have not apparently been very well thought out by the decision makers in Sacramento.

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The average canopy size for the Temporary Licenses issued is 11,104 square feet and roughly 51% of the licensed area is for outdoor cultivation. About 13% of the canopy area is for indoors, 26% for mixed-light Tier 1 and about 10% for mixed-light Tier 2 cultivation sites.

Future competition will also come from very large cannabis business parks which are either under construction or in the pre-construction phase currently, and these facilities may be not even be included in the Temporary License program. One example is a planned facility in Blythe, California where a 2,400,000 square feet multitenant facility is being planned. They have a 30 year operation agreement in place with the city, they offer cheap power which is generated onsite using natural gas, water is provided as part of the monthly charge which includes 24 hour security and they offer a \$ 3.00 per SF tax – lowest in So. California. At buildout this total facility could produce over a half of million pounds annually.

Note: The canopy size caps are removed from the state licensing program starting in the year 2023. Additional very large production facilities including large single operators from the Fortune 500 list should be considered very likely competitors, in the near future.

### **Determining Past Production Levels in Nevada County**

In the 2016 base year which was examined by ERA which provided data to the state in support of the development of the state EIR. This broadly sited report, estimated that about 68,000 cultivation sites existed in the State of California. The report also stated

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there was an estimated 13.5 million pounds of cannabis produced in the state, which when averaged equaled about 198 pounds per cultivation site.

While these are interesting statistics there was no source provided as to how these estimates were obtained. The 68,000 cultivation was a number originally published by Cal Growers and was their estimate of the number of cannabis sites in the state. There is no data base of cultivation sites and the number is basically just a guess. The 13,500,000 pounds was probably derived from an estimate based on DEA seizures of cannabis. There were and still are numerous large “Cartel” grows of cannabis in California. Again, while this is an interesting assessment, it too is just a guess.

If 198 pounds were the actual average, that would equate to about 3,600 square feet of growing space outdoors per cultivation site on average. That means that the average size of a site in Humboldt or Nevada County would have to be 12,650 square feet and produce 675 pounds per site on average, since both of these counties are about 3.5 times larger producers than the average county. Using the 68,000 average sites of 3,600 square feet is just not practical and clearly that many sites, of this size, would not have escaped detection. A far more realistic assessment of the “average” farm size would be half of that number, which would bring the total production per farm down to 100 pounds on average. This would then account for half of the 13.5 million pounds or 6.75 million pounds and the other 6.75 million pounds being attributed to the massive illegal grows in the forests or on other government lands.

Moving forward in this document, the “typical average farm” size will be represented at 100 pounds.

Some areas like Humboldt, Mendocino, Trinity (The Emerald Triangle) as well as Nevada County were significant producers of cannabis in 2016 as well as many previous and subsequent years. The ERA study reviewed the consumption by region of the state but did not look at the origin of the supply.

Nevada County and Humboldt County are the major suppliers of cannabis in California. While Trinity County and Mendocino County are well known for cannabis production and along with Humboldt make up the “Emerald Triangle” they are simply not producing as much cannabis. These locations might be referred to as the big four.

## **Alternatives Examined to Determining Market Share**

### **Alternative A**

Assuming that 50% of all cannabis produced by regular cultivators in California came from these four counties in 2016, this would total about 3.38 million pounds. In both 2016

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and 2017, Nevada County was the largest producer of cannabis by county according to some industry analyst's comments. Based on this analysis, Nevada County represents about 17.50% of the total state market share for cannabis. This analysis shows an average production level of about 337.5 pounds per farm in Nevada County. These results are displayed in the table following Option B below.

### Alternative B

Another way to assess the past production to determine market share is to review the average production per farm and weight the counties with higher and lower than average production rates. Some counties have historically more cannabis production than others. On average 100 pounds was produced on the average cultivation site in California as previously stated. The four largest producers of cannabis were Humboldt, Mendocino, Trinity and Nevada County, who on average probably produced at 3.5 times the state average per farm, or cultivation site. Some counties hardly produced much cannabis at all and others might have produced slightly more or less than the state average. In this method of looking at production from a typical farm the big four probably produced on average about 350 pounds per farm.

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### Market Share

The following chart displays the data for Alternative A and Alternative B, and while the two methods approached determining the market share differently, they both show a similar result of about a 17.5% market share. Nevada County has a long history in cannabis production and outlets for the product have been long established. Also the quality of the product produced in the county is recognized as some of the finest outdoor grown cannabis in the world due to the very favorable climate. Outdoor grown cannabis is often highly sought after because it is grown in natural lighting conditions and organic methods of cultivation are commonly used. And the price of outdoor grown is very attractive to a great many users compared to indoor grown which wholesales for about 40% more due to the higher cost of production. The % of market share on the Project Alternatives refers to the amount of production for the selected alternative compares to the market share based on the 17.5%. This was considered one of the key benchmarks for the evaluation of the alternatives.

| <b>Alternative A - Determining Market Share: Based on Past Share of Production</b>           |                                                |                                             |                         |                          |                       |                          |                     |
|----------------------------------------------------------------------------------------------|------------------------------------------------|---------------------------------------------|-------------------------|--------------------------|-----------------------|--------------------------|---------------------|
| Largest Production Counties                                                                  | Market Share Between the Four Largest Counties | State Market Share Half of State Production | Total 2016 Production   | Total Number of Farms    | Total Pounds per Farm |                          |                     |
| 50% of State Production                                                                      | 100% Population                                | 50%                                         | 13,500,000              | 68,000                   | 100.00                |                          |                     |
|                                                                                              |                                                | "Cartel" or Federal Lands                   | 6,750,000               |                          |                       |                          |                     |
| Humboldt                                                                                     | 33% 135,417                                    | 16.50%                                      | 1,113,750               |                          |                       |                          |                     |
| Mendocino                                                                                    | 20% 88,721                                     | 10.00%                                      | 675,000                 |                          |                       |                          |                     |
| Trinity                                                                                      | 12% 13,647                                     | 6.00%                                       | 405,000                 |                          |                       |                          |                     |
| <b>Nevada</b>                                                                                | <b>35% 98,520</b>                              | <b>17.50%</b>                               | <b>1,181,250</b>        | <b>3,500</b>             | <b>337.50</b>         |                          |                     |
|                                                                                              | 100%                                           | 50.00%                                      | 3,375,000               |                          |                       |                          |                     |
| <b>Alternative B - Determining Market Share: Based on Past Production - Using Multiplier</b> |                                                |                                             |                         |                          |                       |                          |                     |
| February 12, 2018                                                                            | Multiplier                                     | Largest Production                          | Multiplier              | Smallest Production      | Multiplier            | Average Production       | State Avg. Per Farm |
| Plan-aire.com                                                                                | Production                                     | Production                                  | Production              | Production               | Production            | Production               | 100.00              |
|                                                                                              | Greater Than State Average                     | Counties Pounds Per Farm                    | Less Than State Average | Counties Pounds Per Farm | State Average         | Counties Pounds Per Farm |                     |
| Humboldt                                                                                     | 3.5                                            | 350.00                                      | 0.250                   | 25.00                    |                       |                          |                     |
| Mendocino                                                                                    | 3.5                                            | 350.00                                      | 0.250                   | 25.00                    |                       |                          |                     |
| Trinity                                                                                      | 3.5                                            | 350.00                                      | 0.250                   | 25.00                    |                       |                          |                     |
| <b>Nevada</b>                                                                                | <b>3.5</b>                                     | <b>350.00</b>                               | 0.250                   | 25.00                    |                       |                          |                     |
| Unnamed County 1                                                                             | 1.5                                            | 150.00                                      | 0.350                   | 35.00                    |                       |                          |                     |
| Unnamed County 2                                                                             | 1.5                                            | 150.00                                      | 0.350                   | 35.00                    |                       |                          |                     |
| Unnamed County 3                                                                             | 1.5                                            | 150.00                                      | 0.350                   | 35.00                    |                       |                          |                     |
| Unnamed County 4                                                                             | 1.2                                            | 120.00                                      | 0.6                     | 60.00                    |                       |                          |                     |
| Unnamed County 5                                                                             | 1.2                                            | 120.00                                      | 0.6                     | 60.00                    |                       |                          |                     |
| Unnamed County 6                                                                             | 1.2                                            | 120.00                                      | 0.6                     | 60.00                    |                       |                          |                     |
| Unnamed County 7                                                                             | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 8                                                                             | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 9                                                                             | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 10                                                                            | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 11                                                                            | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 12                                                                            | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 13                                                                            | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 14                                                                            | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 15                                                                            | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| Unnamed County 16                                                                            | 1.1                                            | 110.00                                      | 0.5                     | 50.00                    |                       |                          |                     |
| <b>State Average</b>                                                                         |                                                |                                             |                         |                          |                       | <b>100.00</b>            |                     |
| Counties (Total of 58 Counties)                                                              | 20                                             | 3310.00                                     | 20                      | 885.00                   | 18                    | 1,800.00                 |                     |
|                                                                                              |                                                |                                             |                         |                          | Total Counties        | 5,995.00                 |                     |
|                                                                                              |                                                | State Average by Allocation                 |                         |                          | 58                    | 103.36                   |                     |
|                                                                                              | Total Number of Farms in State                 |                                             |                         | 68,000                   | 7,028,621             | Avg. Pounds Per Farm     |                     |
|                                                                                              |                                                |                                             |                         |                          | Total Pounds          |                          |                     |

**Notes:** These figures did not include any laboratory testing and would be reduced 12.5% to 15% for losses due from testing.

Q-76  
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A fundamental question still remains as to the accuracy of the original ERA assumptions. But for the purpose of determining market share, Nevada County was probably indeed supplying the 17.5% of the California production as shown in the first alternative and was confirmed in the second analysis using a different methodology.

Q-76  
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## 7.0 Employees Required for Cannabis Production and Trimming

The number of full time equivalent employees required for the project varies depending on the alternative and range from 83,296 for the Original Project in the Draft EIR to 12,024 in Alternative 5. The highest number of full time employees per site was in Alternative 1C where there are 3.94 full time employees. This alternative included a higher percentage of mixed-light operation which required more employees to operate. The lowest number of employees per site was Alternative 5 with 2.83 full time employees per site. The Original Project shown in the Draft EIR required 3.06 employees per site. The following table displays the number of full time equivalent employees required for cultivation per size and type of operation. The number of trimming employees is based on the amount of production and 6 hours per pound was used for the average trimming rate per pound.

Q-77

| Number of Full Time Employees per Parcel |                                 |                  |                       |                       |                          |                                          |                                             |                    |                                             |                                     |
|------------------------------------------|---------------------------------|------------------|-----------------------|-----------------------|--------------------------|------------------------------------------|---------------------------------------------|--------------------|---------------------------------------------|-------------------------------------|
| February 21, 2019 by: Plan-aire.com      |                                 | Cultivation Only |                       |                       |                          | Cultivation                              | Cultivation                                 | Trimming           | Trimming                                    | Total Project                       |
| Parcel Size                              | Cultivation Area<br>Square Feet | Indoor           | Mixed-light<br>Tier 1 | Mixed-light<br>Tier 2 | Outdoor<br>1/2 Year Only | Average Total<br>Employees<br>Per Parcel | Only<br>Number of<br>Full Time<br>Employees | Hours<br>Per Pound | Only<br>Number of<br>Full Time<br>Employees | Number of<br>Full Time<br>Employees |
| 2-5 acres                                | 500                             | 0.5              |                       | 0                     | 0                        | 0.5                                      |                                             | 6                  |                                             |                                     |
| 5-10 acres                               | 2,500                           | 1.5              | 1.25                  | 1.5                   | 0.5                      | 1.19                                     |                                             | 6                  |                                             |                                     |
| 10-20 acres                              | 5,000                           | 2                | 1.75                  | 2                     | 0.75                     | 1.63                                     |                                             | 6                  |                                             |                                     |
| Over 20 acres                            | 10,000                          | 3                | 2.5                   | 3                     | 1.5                      | 2.50                                     |                                             | 6                  |                                             |                                     |

The types of employees are separated into 2 categories. There are full time cultivation employees and there are full time equivalent trimming employees. Commercial cultivation on any site requires far more than tending plants because of the significant paperwork and reporting required by the state as well as the track and trace system. Compliance is a significant factor when considering labor demands for licensed cultivation. In addition, the indoor and mixed-light operations are running 24 hours per day and care needs to be taken with lighting and environment systems around the clock, which is significantly different than an outdoor operation. Finally, it must be noted that all cultivation activities are assumed to be operating at 100% capacity and 100% efficiency.

This is an optimistic consideration, however the project has been evaluated in every section of the EIR for the maximum developed condition, and the projected labor requirements should not be considered differently. The cost of construction and the cost of obtaining permits as well as the commitment to a commercial operation would suggest that these operations would be professionally run and operated to the maximum footprint allowed. Even with successful operations and a dedicated hard working cultivation team, a 100% yield may not be achieved for the site, which will affect the total output and the number of trimmers required. Adjustments have been made for the average level of efficiency and the number of trimmers required for the project has taken this adjustment into consideration.

Q-77  
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For comparison, in the 2017 ERA economic study for the state's cannabis program, their estimate shows 3.8 full time employees for outdoor cultivation on a 10,000 square foot canopy, 2.7 for indoor cultivation on a 5,000 square foot canopy and 4.85 employees on a 5,000 square foot mixed-light facility. These numbers appeared very high and were adjusted for all alternatives presented in this analysis.

### **Subtracting the Labor Used in the Existing Cultivation Sites**

The existing 3,500 cultivation sites have been estimated to be staffed at 0.75 workers per site. This would total  $3,500 \times 0.75$  or 2,625 cultivation workers. This figure also assumes that these workers only were employed in cannabis and did not seek part time work during the off-season. Most of the cultivation workers would also spend about 25% of the time trimming for the outdoor cultivation sites. There is no statistic available that shows the size of these existing cultivation sites, but if it was assumed that they were all outdoor sites and were on average 3,000 square feet the total outdoor canopy could be estimated. This assumes that a majority of the parcels are only growing a single crop per year and that some were harvesting more than crop with a light deprivation technique or indoors.

Q-78

Based on the market analysis discussed earlier, Nevada County produced on average between 337 to 350 pounds per cultivation site. (Note these were pounds not laboratory tested and would be reduced by 12.5% to 15% if tested). At 6 hours per pound about 2,100 hours of trimming time would be required for each site, which is almost equal to one full time employee per site. With 3,500 existing sites in the county, this would total about 3,500 full time equivalent employees.

Assuming half of the 3,500 cultivation sites were to obtain cultivation licenses, and remaining cultivation sites either could not meet the licensing requirements or chose not to participate in the licensing program, there would be 1,750 permitted cultivation sites. The employees working at these sites would now be available for the new licenses as well as the trimmers working at these cultivation sites. Using the 0.75 workers for the

1,750 cultivation sites would equal about 1,313 employees who would be converting to the new license program. The employees from the remaining sites which did not convert to licenses may also be available as employees for licensed sites or may choose other types of employment.

The trimmers working on sites that became licensed would presumably stay with the sites that became licensed which total about 1,050 and the other trimmers would probably chose to work at the licensed sites. Which brings the amounts of trimmer's available back to 2,100. The cultivators on the outdoor cultivation sites can perform some of the trimming. (Assuming that at least 80% of the current production is from outdoor facilities  $80\% \times 1,750 \times 25\% = 350$  full time equivalent workers could be added for trimming). This brings the total trimmers to 2,450. The resulting number of total labor would be available to transfer to the licensed sites would total, the cultivation labor of 1,313 and the trimmer labor of 2,450 which total 3,763 full time equivalent employees.

Q-78  
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Alternative 5 requires 4,907 full time cultivation employees and 6,592 trimming employees for a total of 11,499 full time equivalent employees. The Original Project required 37,078 cultivation employees and 45,144 trimmers for a total of 82,222 full time equivalent employees. Using Alternative 5 for the project and converting existing employees from the 3,500 cultivation sites would require an additional workforce of 7,736 full time workers. This is a rather modest increase over the life of the project and impacts on housing, traffic and public services would be minimal in comparison to other alternatives examined.

Q-79

### **Additional Indirect Workers**

In addition to cultivation employees and trimmers, indirect workers, which include transporters, soils and cultivations suppliers, hardware stores, restaurants, propane suppliers, bookkeepers and other professional workers would be increased to support licensed cannabis cultivation. These indirect workers have not been addressed in the EIR and have been included in the calculations above for cannabis cultivation employees or trimming employees. Additional impacts to traffic, local services, housing, schools, parks and recreation, air quality and impacts to sheriff resources and other vital county services would be expected.

Q-80

A study titled "Economic Impact Study of the Cannabis Sector in the Greater Sacramento area dated Oct. 17, 2016" cited that there are about 2.5 indirect jobs created for every cultivation job.

### **Employees Summary**

Q-81

The project Draft EIR shows a demand for only 22,866 employees which is 46% of the population; (Page 4.12-9). The calculations contained in this study reflect a need for over 83,000 employees for the Original Project. The current county population is almost 100,000, so the 46% must be referring to the total workforce in the county. On Page 4.12-8 the existing labor force Nevada County is shown 48,654. The project EIR has also assumed that 3,500 people are currently employed in cannabis cultivation which is close to the 3,763 calculated in this study.

Q-81  
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There is a fairly low unemployment rate in Nevada County (3.3%) and all of the alternatives will require additional labor both for cultivation as well as trimmers above the number currently employed in cannabis. In Alternative 5 the preferred alternative, 7,736 new cannabis workers were required along with the 2.5 times (19,340 indirect workers) which assumes that the existing cultivation sites have already accounted indirect workers associated with the existing cannabis operations. (In the Original project there was no mention of the additional labor force required to build the 14,500 new homes required to have a cultivation permit on each parcel). All of the alternatives examined in this study except the Original Project and the 30% Alternative Project assumed that only parcels with existing residences would be included in the study. As such there were no requirements for new housing construction.

Q-82

The EIR considered that 75% of the parcels included in the project would contribute one employee to work in the commercial cannabis cultivation which would calculate  $(27,207 \times 75\%) = 20,406$  workers. This figure if subtracted from the total project labor demand of 83,296 total employees would equal a net of 62,890 new employees need for the full project. Using this same 75% figure for the number of employees for 4,250 parcels shown in Alternative 5, there would be 3,188 employees available for work on the licensed cannabis sites which is similar to the 3,763 calculated earlier. Based on the previous calculations previously submitted for the Draft EIR, it was estimated that the 3,500 existing cultivation sites currently employed about 3,665 people on a full time equivalent basis.

Q-83

## 8.0 Electric Use:

According to the California Public Utilities Commission, indoor cannabis cultivation, according to a 2012 study is responsible for about 3% of California's electricity consumption. This was equivalent to the electricity consumption of one million California homes.

Q-84

[http://www.cpuc.ca.gov/uploadedFiles/CPUC\\_Public\\_Website/Content/About\\_Us/Organization/Divisions/Policy\\_and\\_Planning/PPD\\_Work/PPD\\_Work\\_Products\\_\(2014\\_forward\)/PPD%20-%20Prop%2064%20Workshop%20Report%20FINAL.pdf](http://www.cpuc.ca.gov/uploadedFiles/CPUC_Public_Website/Content/About_Us/Organization/Divisions/Policy_and_Planning/PPD_Work/PPD_Work_Products_(2014_forward)/PPD%20-%20Prop%2064%20Workshop%20Report%20FINAL.pdf)

On February 28, 2017 the California Public Utilities Commission (Commission) held a workshop designed to explore opportunities for ensuring that any load growth associated with cannabis cultivation is consistent with California's clean energy goals.

Key takeaways from the workshop include:

- States that have legalized recreational cannabis have not necessarily seen an increase in energy consumption attributable to cannabis cultivation;
- With respect to indoor cannabis cultivation, state building and/or energy codes sometimes result in cultivation operations that are less energy efficient than they could be, without any concomitant gains in safety;
- What is energy efficient for one industry may not be energy efficient for another industry. For indoor cannabis cultivation, for example, insulation requirements may increase cooling needs, and HVAC economizers may increase the need for dehumidification and air filtration;
- Indoor cultivation is generally accepted as the most energy intensive cultivation method, but is also potentially the most water-efficient method;
- California's cannabis exports exceed in-state consumption by a factor as high as four-to- one. The looming market uncertainty from a reversal in federal policy on prosecution may result in a market demand reduction and negatively impact in-state production as export falls; and
- The cannabis industry has not benefitted from publicly funded agricultural research on how to best optimize production across a variety of cultivation methods, unlike other valuable agricultural commodities in the state.

In the State of Washington, of the entire licensed cannabis cultivation canopy, 60% is indoor cultivation, less than 10% is greenhouse, and the balance is outdoor cultivation. According to the latest public data, indoor cultivators operating year-round were consuming about 150 W\*/sq. ft. of active canopy, greenhouses operating 30%-50% of the year were consuming about 60 W\*/sq. ft. of active canopy, and greenhouses operating 15% of the year were consuming <5 W\*/sq. ft. of active canopy. Cooley, one of the presenters to the Commission, believes it is fair to assume that California will see similar percentages of indoor, outdoor, and greenhouse cultivation. The largest cannabis cultivation operation Cooley ever toured was an outdoor cultivation in California.

\* This should read kWh (See Note Below)

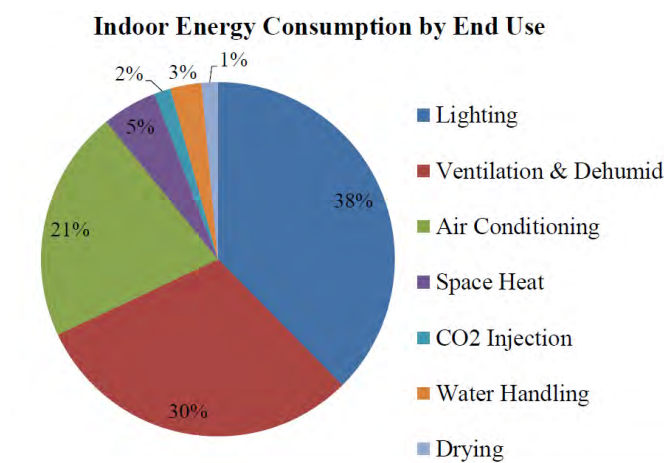
In Colorado, many cultivators moved into one area of Denver, necessitating a new feeder in 2015, although some cultivators have succeeded in rotating their operations on 12 hour cycles. Of the requests that have been completed, cultivators tend to over-estimate their capacity needs. Among cannabis cultivators, Xcel (another presenter) has seen power load estimates of 200 W\*/sq. ft., and the actual is closer to 35 W/sq. ft. 68 W\*/sq. ft. is

Q-84  
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about the highest density of lighting they see, and that is for flower areas. Flower areas require more lighting than other cultivation areas, such as the veg and clone areas, so the average is 35 W\*/sq. ft.

Note: The California Public Utilities Commission report as cited above was certainly intended to display kW instead of W; since 150 Watts per square per square foot is less electricity than a single 100 watt light bulb which would use annually. This could be calculated as follows:  $(100 \times 24 \times 365 = 876,000 \text{ watts or } 876.0 \text{ kWh per year, if left burning 24 hours per day})$ . The 150 watts per square foot used for an indoor cannabis site in Washington should read 150 kW per square foot, which would equal 375,000 kW annually for a cannabis site operated 100% of the time. For a site operating 30% to 50% of the time, 60 kWh per square foot would be expected. Again Washington weather is different than California but for indoor cultivation the conditions may be similar.

### Percentage of Electric Use Cited in the Commission Report



Source: Evan Mills, 2012, presented by Lincus Energy

Based on this distribution of electric power (Which maybe only applies to Indoor cultivation) an electric use amount was calculated for a kWh per square foot basis for the Mixed-light operations. **This distribution produced a faulty evaluation of electric use.**

### Evaluation for Mixed-light Operation Based on 38% of Electric Use for Lighting

Lighting for Tier 2 Mixed-light operations is limited to 25 Watts per square foot. Assuming lighting was used 4 hours a day for 6 months of the year with the other 6 months requiring

Q-84  
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Q-85

light deprivation to maintain the 12 hour daily light cycle and 25 watts per square foot was used for the lighting, the electric energy for lighting could be calculated at 25 Watts x 4 Hours x 182.5 Days = 18,250 Watts or 18.25 kWh per square foot for lighting annually.

The energy use in a greenhouse would include the total electricity need to run lights, ventilation and other equipment. Several studies show that lighting requires about 38% of the total energy used, while HVAC and dehumidification require about 51% of the power. The balance of power requirements is 11% and is associated with space heating, water handling, and CO<sub>2</sub> injection and drying. (See Indoor Energy Consumption by end use Chart which follows)

If lighting is using 18.25 kWh per square foot in a Tier 2 Mixed-light facility and represents 38% percent of the total power usage (See Chart Below) then the remaining 62% would require 29.78 kWh per square foot for a total electric demand of 48 kWh per square foot. This number is comparable to an indoor cultivation which is operating about 30%-50% of the year as shown in the example for Washington as cited above in the California Public Utilities Report for an indoor cannabis operation. However, these figures are based on ratios of power use for indoor facilities where lights are operating 12 hours a day year round and not 4 hours per day for 6 months as shown in the above calculations. When adjusted for year round operations where HVAC and other power uses are including during the periods of time when the lights are not on, the following calculations for a 6 Watt and 25 Watt per square foot mixed-light facility might be expected.

| Tier 1 Mixed-Light Cultivation -Maximum 6 Watts per Square Foot   |           |                            |          |       |        |
|-------------------------------------------------------------------|-----------|----------------------------|----------|-------|--------|
| Lighting                                                          | Hours per | Number                     | Lighting | HVAC  | Totals |
| 6 watts                                                           | Day       | Months                     | kWa      | kWa   |        |
| square foot                                                       |           |                            |          |       |        |
| 1                                                                 | 4         | 6                          | 4.38     | 29.78 | 34.16  |
|                                                                   | 8         | 6                          |          | 59.56 | 59.56  |
|                                                                   | 12        | 6                          |          | 89.34 | 89.34  |
|                                                                   |           |                            |          |       |        |
|                                                                   |           | Annual kWh per square foot |          |       | 183.06 |
| Tier 2 Mixed-light Cultivation - Maximum 25 Watts per Square Foot |           |                            |          |       |        |
| Lighting                                                          | Hours per | Number                     | Lighting | HVAC  | Totals |
| 25 watts                                                          | Day       | Months                     | kWa      | kWa   |        |
| square foot                                                       |           |                            |          |       |        |
| 1                                                                 | 4         | 6                          | 18.25    | 29.78 | 48.03  |
|                                                                   | 8         | 6                          |          | 59.56 | 59.56  |
|                                                                   | 12        | 6                          |          | 89.34 | 89.34  |
|                                                                   |           |                            |          |       |        |
| Feb. 4,2019                                                       |           | Annual kWh per square foot |          |       | 196.93 |

Q-85  
cont'd

These numbers are higher than the 150 kWh shown in the Public Utilities Commission Report for indoor cultivation. The Wattage per square foot is easily calculated and the proration per square between lighting and HVAC and other power uses are derived from the data in the graph above which also coincided a 2014 study prepared by the Northwest Power and Conservation Council. This report also concluded that lighting comprised 38% of the total electric use and 51% was used for HVAC. Both of these studies were also using a higher lighting Wattage than the 25 Watts per square foot limit set in the mixed-light permit requirements in California. Again the lighting for a mixed-light greenhouse is only assumed to be used 4 hours per day for 6 months and the power use ratio between lighting and HVAC was calculated based on the hours of light use. Since an indoor cannabis facility is operating every day all year and lighting would generally not exceed 12 hours per day during the flowering phase and the HVAC and other systems requiring operation would need to correlate for a full 12 hour operating day period.

Cornell University also conducted an extensive study of energy consumption for greenhouses. Cornell has 146 greenhouses and they conducted a very detailed study of energy use and greenhouse gas estimates for all of these facilities. The Cornell report can be found at: <https://cuaes.cals.cornell.edu/greenhouses/sustainable-greenhouses/energy-use/>

Q-85  
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Three individual greenhouses were examined along with the total number of greenhouses to obtain an average. The total power consumption for a 2,592 sf greenhouse (No. 1913 Orange 1A) was about 242,047 kW per year with about 59,743 kW being used annually for lighting and the balance used for heating. This works out to about 93.75 kW per square foot. Greenhouse (No. 1915) also 2,592 sf used a total of 41.38 kWh per sf for lighting and a total of 117.57 kWh per square foot annually. The third greenhouse (No. 1068B) was 3,312 sf and used 61.37 kWh per sf for lighting and a total of 125.84 kWh per square foot annually.

The total amount of greenhouse space at Cornell University is 144,624 square feet and 11,706,690 kWh are being used for heating and an additional 6,279,978 kWh are used for lighting at 11 hours per day for a total energy use of 17,986,668 kWh annually. This represented a total use of 124.36 kWh per square foot with 43.42 kWh devoted to lighting and 80.06 kWh devoted to HVAC. (The greenhouse study set the lights to 11 hours per day and off the remaining time. The daytime temperature was set to 75 degrees and 65 degrees at night. The data tables are in PDF format and would be too small to reproduce here.

Cornell is not cultivating cannabis in this space and clearly the climate in upstate New York is far different than Nevada County which may account for some of the HVAC (heating) requirements. The greenhouses at Cornell are comprised on many different sizes and apparently different types of construction and were built at different times.

## Evaluation of Data Contained in EIR

The data shown in Table 4.17-3 reflects a use of 80.0 kWh for an indoor facility and 40.0 kWh for the mixed-light operations. The outdoor sites were shown at 0 power use, which is probably not accurate since fans are often used as well as pumps for the watering system in outdoor cultivation. Also, there was no electric use for the accessory buildings in the Draft EIR.

The 80.0 kWh figure for indoor cultivation is very low compared to the 150 kWh number for indoor cultivation shown in the Public Utilities Report for year round operation. Cornel has a much higher use of energy. But upstate New York is very cold in the winter and they are growing other types of crops than cannabis which may have different heating or cooling needs. Electric demands in various articles reflect anywhere between 80 kWh to over 1,000 kWh per square feet of energy use for indoor cultivation and in Denver the average use was over 460 kWh per square foot for indoor cultivations until very recent years. Climate where the cultivation occurs is another large variable for the energy used for indoor cultivation as are growing techniques and lighting intensity. High insulation requirements for buildings apparently have caused higher energy use for cannabis cultivation according to some studies. However, indoor cultivation temporary licenses only account for 17.8% of the licenses issued by the state. Because of the high cost of construction and limited benefit based on yield per square foot annually, compared to mixed-light operations which use the sun for a large part of their lighting, indoor cultivation sites of 2,500 square feet or larger, would probably not even approach the 17.8% figure in Nevada County. Small greenhouses of 500' are the only type of facility available for lots which are 2 to 5 acres. But again these facilities are expensive to permit and construct and without the benefit of the sun they are very expensive to operate.

The data for a mixed-light greenhouse shown in table 4.17-3, at 40.0 kWh is not separated into the two mixed-light categories as shown in the California cannabis license program. The Tier 2 mixed-light example above would use about 32 kWh per square foot for lighting and the Tier 1 would use about 7.7 kWh for lighting, (6 Watts per square foot compared to 25 Watts for Tier 2) but would also have about 50% of the demand for HVAC due to less heat and slightly less growing cycles per year. (The 6 watt lighting would use 24% of the electricity of the 25 watt per square foot limit for Tier 2).

It is not clear why the indoor electric use is 140 kWh per square foot for the 500 square foot cultivations while the 2,500, 5,000 and 10,000 square foot facilities are all shown at 80 kWh per square foot. Each of the facilities has the same needs and the only change is the square footage.

(Electric use for the accessory buildings are shown in Section 11.0 Accessory Structures).

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Q-89

**Electric Use Determined for this Study**

| February 20, 2019                                                                                                                                                           | Electric Use kWh per Square Feet Annually |             |           |             |          |               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-------------|-----------|-------------|----------|---------------|
| Plan-aire.com                                                                                                                                                               | Type                                      | Lighting    | *HVAC     | Total       | Note:    | % Lighting    |
|                                                                                                                                                                             | <b>Indoor</b>                             | <b>100</b>  | <b>35</b> | <b>135</b>  | <b>5</b> | <b>74.07%</b> |
|                                                                                                                                                                             | Indoor                                    |             |           | 150         | 3        |               |
|                                                                                                                                                                             | Indoor                                    | 99.6        | 27.8      | 127.4       | 1        | 78.18%        |
|                                                                                                                                                                             | Greenhouse - Not Used                     | 6.9         | 5         | 11.9        | 1        | 57.98%        |
|                                                                                                                                                                             | <b>Immature Plants</b>                    | <b>3</b>    | <b>2</b>  | <b>5</b>    | <b>5</b> | <b>60.00%</b> |
|                                                                                                                                                                             | <b>Mixed-light Tier 1</b>                 | <b>7.7</b>  | <b>15</b> | <b>22.7</b> | <b>5</b> | <b>33.83%</b> |
|                                                                                                                                                                             | <b>Mixed-light Tier 2</b>                 | <b>32.0</b> | <b>30</b> | <b>62.0</b> | <b>5</b> | <b>51.58%</b> |
|                                                                                                                                                                             |                                           | 26.8        | 11.5      | 38.3        | 1        | 69.97%        |
|                                                                                                                                                                             |                                           | 43.42       | 80.95     | 124.37      | 2        | 34.91%        |
|                                                                                                                                                                             |                                           | 41.38       | 76.19     | 117.57      | 2a       | 35.20%        |
|                                                                                                                                                                             |                                           | 61.37       | 64.47     | 125.84      | 2b       | 48.77%        |
|                                                                                                                                                                             | <b>Outdoor</b>                            | <b>0.5</b>  | <b>2</b>  | <b>2.5</b>  | <b>5</b> | <b>20.00%</b> |
|                                                                                                                                                                             |                                           | 0.5         | 0.6       | 1.1         | 1        | 45.45%        |
| Notes:                                                                                                                                                                      |                                           |             |           |             |          |               |
| * HVAC - Cooling; 44%, Heating; 9%, Ventilation; 35%, Dehumidification; 12%, Pumps; 0.01%                                                                                   |                                           |             |           |             |          |               |
| 1 June 5, 2018; Northwest Power, for Washington and Oregon                                                                                                                  |                                           |             |           |             |          |               |
| In 2014 Colorado used 448 kWh per SF - indoors                                                                                                                              |                                           |             |           |             |          |               |
| 5 of the survey responses show 150 to 200 kWh per sf                                                                                                                        |                                           |             |           |             |          |               |
| Survey - 16 for indoor lighting, 19 for indoor HVAC; 7 for greenhouse lighting, 6 for HVAC                                                                                  |                                           |             |           |             |          |               |
| 8 for mixed lighting, 4 for HVAC, 4 for outdoor lighting, 3 for HVAC                                                                                                        |                                           |             |           |             |          |               |
| 66% for lighting; 33% for HVAC                                                                                                                                              |                                           |             |           |             |          |               |
| 6 of the survey responses show 150 to 200 kWh for lighting only                                                                                                             |                                           |             |           |             |          |               |
| 2 Cornell University - Average all Greenhouses; Lights 11 hours per day                                                                                                     |                                           |             |           |             |          |               |
| 2a Cornell University - 2592 SF Greenhouse; Lights 11 hours per day; No. 1915                                                                                               |                                           |             |           |             |          |               |
| 2b Cornell University - 3312 SF Greenhouse; Lights 11 hours per day; No. 1068B                                                                                              |                                           |             |           |             |          |               |
| <a href="https://cuaes.cals.cornell.edu/greenhouses/sustainable-greenhouses/energy-use/">https://cuaes.cals.cornell.edu/greenhouses/sustainable-greenhouses/energy-use/</a> |                                           |             |           |             |          |               |
| 3 California Public Utilities Commission - April 20, 2017; 150 W / SF                                                                                                       |                                           |             |           |             |          |               |
| Greenhouse operating 30%-50% of year 60W / SF                                                                                                                               |                                           |             |           |             |          |               |
| Greenhouses operating 15% of year consuming < 5 W /SF                                                                                                                       |                                           |             |           |             |          |               |
| <a href="#">/Organization/Divisions/Policy and Planning/PPD Work/PPD Work Products</a>                                                                                      |                                           |             |           |             |          |               |
| <a href="#">(2014 forward)/PPD%20-%20Prop%2064%20Workshop%20Report%20FINAL.pdf</a>                                                                                          |                                           |             |           |             |          |               |
| 4 Xcel Research Estimates up to 200 W/SF, actual is closer to 35 W/SF to 68 W/SF for lighting                                                                               |                                           |             |           |             |          |               |
| 5 Spreadsheet Calculations; See Table EIR Calculations, Tab-Electric                                                                                                        |                                           |             |           |             |          |               |

Q-89  
cont'd

Note: In 2012, the Lawrence Berkeley National Laboratory (LBNL) reported that legal indoor cannabis facilities already accounted for approximately 1 percent of national energy usage.

Q-89  
cont'd

## Total Project Electrical Demands

The entire nameplate power production in the county is 110.4 MWh according to Table 4.17-1. The Original Project described in the Draft EIR has an electric power demand of 8,456,089 Megawatts. The preferred alternative project, Alternative 5 has a total electrical demand of 599,471 Megawatts. Both projects far exceed the total generating capacity in the county. With the use of solar panels to meet the renewable energy targets set by the state, which could supply 40% of the projects electrical needs, the preferred Alternative 5 would require about 359,682 Megawatts from the California power grid annually to serve the project.

Total annual energy use in Nevada County was on average 6,709.22 kWh per person in 2017, including residential and non-residential use and the population was 98,520 which totaled 660,970 Megawatts, slightly more than the Alternative 5 project concept before renewable energy use. The Original Project as described in the Draft EIR would have consumed 12.8 times the entire of electricity used in Nevada County. The total power produced in California from all sources was 206,328,000 Megawatts in 2017.

The average occupied residential unit in Nevada County used 10,504.5 kWh of electricity in 2017, or 8,133.9 kWh on average for every housing unit including the unoccupied units. The entire county used 480.44 million Watts or gigawatts (GWh) of power in 2017 for residential use and 270.0 million Watts or gigawatts (GWh) for non-residential use. This represents an increase of power use over 2016 when residential used 433.9 GWh and non-residential used 227.1 GWh in Nevada County.

## Determining the Correct Electric Use for the Project

The correct power use per square foot is subject to a great deal of interpretation. Figures used vary from 40 kWh to 196 kWh for a mixed light operation. Indoors the figures vary between 80 kWh and 140 kWh in Table 4.17-1 and the California Public Utilities Commission is show 150 kWh for these indoor cultivation sites. The difference between indoor and mixed light is lighting demands for power and considering that greenhouses are plastic carbonite with fairly poor insulation capabilities compared to a building structure, energy losses might be higher for greenhouses. The numbers on the previous page were the best estimates of power use based on the data available.

Q-90

Q-91

Outdoor cultivation will use more than zero power per site and a figure of 2.5 kWh per square foot was applied to these outdoor cultivation sites. Fans and pumps to move water would account for most of power demands.

Immature plants that are outside of the canopy area will also require some power as well as buildings used to dry cannabis and areas onsite where cannabis will be trimmed. The trimming areas would require lighting and some climate control and humidifiers might be used in the drying areas. The power use for these facilities was estimated and included in this study.

Electric use is based on kWh per square foot of canopy area. The lights account for roughly a third of the power used in many indoor cultivation sites according to information from many other sources, however the Washington study found that lighting only accounted for about three times the electric use compared to HVAC. For indoor cultivation 135 kWh per square was used and 100 kWh was assigned to lighting. The remaining 35 kWh per square foot was used for HVAC and a similar number was utilized in the Tier 2 mixed-light operations described below. These were more in line with other information available so this ratio was used in the indoor cultivation calculations above.

There are two different types of mixed-light cultivation in the state license program, one that allows for up to 6 watts per square foot, and one that allows up to 25 Watts per square foot. Smaller Wattage lights do not directly correspond to the overall energy use per square foot for HVAC and other uses because climate has a significant impact on overall power use in a greenhouse. The kWh per square foot was shown between 40kWh to 80kWh in the Draft EIR. The California Public Utilities Commission has a report that show 150 kWh for cannabis production which matches figures found in a substantial study that was performed by Cornell University for their 144 greenhouses. A figure of 22.7 kWh per square foot was used for the Tier 1 (6 Watts) sites with about one third assumed for lighting. In the Tier 2 (25 Watts) 62 kWh per square foot was used and about half was assumed for lighting.

Data and website information for these comparable projects were provided in the comments already submitted on February 4, 2019. The 150 kWh was adjusted by adding an additional 5% for ancillary structures which brings the total used for this analysis to 157.5 kWh per square foot. The Draft EIR did not include any power use for outdoor cultivation. These facilities will use some power, water pumps, fans and power for the trimming area will all require power for outdoor cultivation. A 2,500 mixed-light or indoor cultivation facility would use 393,750 kWh per year operating year round, which is about equal to about 37.48 times the power use of an average occupied housing unit. (Using the 40 to 80 kWh per square foot figure used in the Draft EIR, say 60kWh average, the 2,500 square foot facility would use 150,000 kWh per year or as much power as 18.44 occupied housing units).

Q-91  
cont'd

Q-92

Q-93

Q-94

Determining an alternative project's viability must include the analysis of all electrical demands, not only the power required but the transmission of the power. Alternative energy requirement must also be considered and is evaluated in detail in the next section of this report. Solar is not an efficient alternative, but it is the most commonly used source of renewable power in use today other than wind power, which is not particularly viable in most areas of the county.

Q-95

### Reference on Converting Electric Power:

**Watt-hours** are a measurement of energy, describing the total amount of electricity used over time. Watt-hours are a combination of how fast the electricity is used (watts) and the length of time it is used (hours). For example, a 15-watt light bulb, which draws 15 watts at any one moment, uses 15 watt-hours of electricity in the course of one hour.

**Kilowatts and kilowatt-hours** are useful for measuring amounts of electricity used by large appliances and by households. Kilowatt-hours are what show up on your electricity bill, describing how much electricity you have used. One kilowatt (kW) equals 1,000 watts, and one kilowatt-hour (kWh) is one hour of using electricity at a rate of 1,000 watts. New, energy-efficient refrigerators use about 300-400 kilowatt-hours per year. The typical American home uses about 7,200 kilowatt-hours of electricity each year [1].

**Megawatts** are used to measure the output of a power plant or the amount of electricity required by an entire city. One megawatt (MW) = 1,000 kilowatts = 1,000,000 watts. For example, a typical coal plant is about 600 MW in size.

Q-96

**Gigawatts** measure the capacity of large power plants or of many plants. One gigawatt (GW) = 1,000 megawatts = 1 billion watts. In 2012, the total capacity of U.S. electricity generating plants was approximately 1,100 GW [2].

### Notes and References

[1] Assumes a typical U.S. household uses non-electric heating.

[2] SNL Financial. [Historic & Future Power Plant Capacity](#).

Source: [https://www.ucsusa.org/clean\\_energy/our-energy-choices/how-is-electricity-measured.html#.XF5\\_msmWyyo](https://www.ucsusa.org/clean_energy/our-energy-choices/how-is-electricity-measured.html#.XF5_msmWyyo)

California Energy use: <https://ecdms.energy.ca.gov/elecbycounty.aspx>

Solar: <https://answers.energysage.com/question/102/if-a-solar-panel-is-rated-at-300w-how-much-power-will-it-produce/>

Solar Radiation in California: <https://solarenergylocal.com/states/california/>

## 9.0 Solar Energy

A high end 350 Watt solar panel commonly in use has an average efficiency rating of 22% and that is on the high side. The efficiency of a solar cell refers to how effectively it can convert the light that hits the surface of the panel into electricity. The “world record” highest rated panel was 26.1% and was under development in Germany as of November 2018. A 350 Watt panel by SunPower [SPR-X21-350-BLK-D-AC](#) is 21.5% efficient, measures 17.5415 square feet, and is one of the highest output panels currently available.

A 350 Watt solar panel generates power in full sunshine for an hour, by the end of that hour the panel would have generated 350 watt-hors (or 0.35 kilowatt-hours, 0.35kWh) of electricity. (Minus any losses in the inverter, dust or snow on the panel and assuming that the panel is not shaded and is orientated correctly). But solar panels do not generate the same amount of electricity all throughout the day. In the mornings and evenings (when the sun is low in the sky) the panels will generate less power than in the afternoon (when the sun is shining on them directly). 350 watts refers to the panel’s peak capacity: how much electricity will the panel produce in perfect weather conditions while pointed directly at the sun?

In order to determine how much an individual panel (or more likely, a whole solar energy system) will generate in a day, you have to look at the total amount of sunshine that can be expected for the area where the solar panels are placed and the season of the year. The solar panels will generate more power in the summer than in the winter, simply because there is more sun during the summer months. There are tables available that show the “Solar Radiation” for different cities which reflect the annual averages of available sunshine. For instance, the “Solar Radiation” value for Los Angeles is 5.84, and in Las Vegas the value is 6.35. Houston is 5.03, Denver 5.54, New York City 4.49, Anchorage 3.29 and Seattle 3.64. San Francisco is 5.34 and Sacramento is 5.62 which is the closet location to Nevada County. This is an average monthly solar radiation level and is 51% higher than the average level in areas with historic low levels and approximately 15% less than areas with the highest levels.

As mentioned, sunshine is stronger in the afternoon than in the morning or evening. So when we talk about solar irradiation, we “compress” the total amount of sunshine into easy-to-understand units. The 350W panel may only generate 175W in the morning, but this number will rise steadily as the sun gets higher in the sky. The panel’s output will get to around 350W for 2-3 hours around noontime, and then will start to decline as the sun gets lower in the sky. The figures for “Solar Radiation” take this fact into account.

Q-97

So for the Sacramento area, a 350W solar panel (where the solar radiation is 5.62 on average annually), the panel will generate  $(5.62 \text{ kWh} \times 0.35 \text{ kW}) = 1.967 \text{ kWh}$  for the day. There are certain inefficiencies in the solar system such as the conversion of DC power that the panels produce, into AC power which can be used (using inverters), along with the age of the system and the amount of dust or debris on the panels which will reduce the overall output of the system by about 20%. So the net useable power from the solar system would equal about 80%, which is  $(1.967 \text{ kWh} \times 0.80) = 1.5735 \text{ kWh}$  per day. So one 350W solar panel will generate  $(1.5735 \text{ kWh per day} \times 365.25 \text{ days}) = 574.72 \text{ kWh}$  annually.

The 350W panel measures 3.43' x 5.11' and totals 17.541 square feet per panel. A single 2,500 square foot mixed-light or indoor cultivation facility, assuming that these two facilities require the same energy per square foot, require 157.5 kWh per square foot annually of electric power. Using 50% of the total power requirements being supplied from renewable energy which is set for the near future (40% is the current requirement), the amount of renewable energy would be 78.75 kWh per square foot. A single 350W panel will generate about 1.5735 kWh per day or 574.72 kWh annually and a single panel will provide enough electricity for 7.298 square feet of Mixed-light or indoor floor space. For 2,500 square feet of floor space, 342.56 350W panels are needed, which would require 6,000 square feet of solar panels.

Using the same example of 2,468 parcels in the 30% Project Alternative, where 2/3 of the parcels are mixed-light or indoor cultivation sites; there are 1,645 parcels which are being examined with a 2,500 square foot floor area (canopy). Combined these 1,645 parcels would require 563,507, 350W solar panels and would occupy 9,884,807 square feet of space, or 226.92 acres of solar panels. Again this does not include the 500 sf, 5,000 sf or 10,000 sf facilities shown in the 30% Alternative Project in the Draft EIR.

Note: The solar calculations provided in the comments provide on February 4, 2019 misstated to number of panels needed for the project. The 22% efficiency was applied to the overall solar panel system. Instead of describing the power lost when converting sunshine into useable power by the use of solar panels. This was an error in calculation which led to a significant overstatement of panels required for the project. The reevaluation of the original project is included later in this document which corrects the previous error. The baseline project is presented within as a comparison to other project alternatives.

Q-97  
cont'd

**Solar Panels Required at 40% Renewable Power by Cultivation Type**

| SunPower                       | 350W Solar Panel |            | Solar Radiation Factor 5.62 |        | 20% Loss    |
|--------------------------------|------------------|------------|-----------------------------|--------|-------------|
| Cultivation Size *             | kWh Year         | 574.72     | 40%                         | Panels | Square Feet |
|                                | Type             | kWh per SF | Multiplier                  | Needed | 17.541      |
| 500                            | 500 Sf Indoor    | 138.82     | 0.0966                      | 48     | 847         |
| 2,500                          | Indoor           | 138.82     | 0.0966                      | 242    | 4,237       |
| 2,500                          | Mixed-light 1    | 26.32      | 0.0183                      | 46     | 803         |
| 2,500                          | Mixed-light 2    | 65.82      | 0.0458                      | 115    | 2,009       |
| 2,500                          | Outdoor          | 6.32       | 0.0044                      | 11     | 193         |
| 5,000                          | Indoor           | 138.82     | 0.0966                      | 483    | 8,474       |
| 5,000                          | Mixed-light 1    | 26.32      | 0.0183                      | 92     | 1,606       |
| 5,000                          | Mixed-light 2    | 65.82      | 0.0458                      | 229    | 4,018       |
| 5,000                          | Outdoor          | 6.32       | 0.0044                      | 22     | 386         |
| 10,000                         | Indoor           | 138.82     | 0.0966                      | 966    | 16,947      |
| 10,000                         | Mixed-light 1    | 26.32      | 0.0183                      | 183    | 3,213       |
| 10,000                         | Mixed-light 2    | 65.82      | 0.0458                      | 458    | 8,035       |
| 10,000                         | Outdoor          | 6.32       | 0.0044                      | 44     | 771         |
| 5,423                          | Averages         | 65.43      | 0.0455                      | 226    | 3,964       |
| 1,800                          | Avg House        | 4.52       | 0.0031                      | 6      | 99          |
| * Includes Accessory Buildings |                  |            |                             |        |             |

Q-97  
cont'd**10.0 Water Use**

The water demand source utilized in this EIR was derived from information contained in a document titled Cannabis Water Use Study published in the Humboldt Grower in 2015. The article also pointed out, that the Emerald Growers Association, which has replaced the Humboldt Growers Association, no longer supports these statistics.

This water article can be found online and references a proposed ordinance presented by the Humboldt Growers Association which stated that “cannabis used an average of 22.7 liters (about 6 gallons) of water per day”. This 6 gallon number was also copied by the California Department of Fish and Wildlife in 2015 and has been much disputed by other organizations such as NORML which cited that the average water consumption is closer to 2.6 gallons per day per plant outdoors. Further, the Humboldt article included other water use studies which included one 5 year study of water use which determined that

Q-98

water was used at a rate of 1.75 gallons per day per plant for 180 days. This study utilized 100 gallon pots with pots located 12 feet on center.

(There is sufficient publicly available information for an analytical evaluation of the water used for cannabis cultivation. Other sources and analysis will follow, later in this section).

Water use in the Draft EIR is overstated and there is much discussion on this topic in the previous comments submitted on February 5, 2019. Even by using the same 6 gallons a plant for an outdoor cultivation as cited in the Humboldt Grower article in 2015; calculating the water use for 25 plants in a 2,500 square foot canopy for 180 days per year, the water use would equal 27,000 gallons. (The Draft EIR shows 112,969 gallons – because they used 4 grow cycles per year outdoors). A 5,000 sf facility would twice as much as a 2,500 sf facility or 54,000 gallons, (The Draft EIR shows 245,938 gallons). The 10,000 sf facility would use 108,000 gallons, (The Draft EIR shows 491,875 gallons), more discussion follows:

The California Cannabis Regulations specify that a Specialty Cottage Outdoor license is an outdoor cultivation site with up to 25 mature plants and that a Specialty Cottage Mixed-Light Tier 1 and 2 is a mixed-light cultivation site with 2,500 square feet or less of total canopy. Nevada County has limited outdoor canopy size to 2,500 square feet on parcels of 5 to 10 acres in the AG, AE and FR zones which generally conform to the State license category for 25 plants outdoors. This indicates that a single plant would have a canopy of 100 square feet and that as defined by the State license an outdoor grower would be limited to 25 plants within the 2,500 square foot footprint.

State law also specifically states that “Outdoor cultivation” means the cultivation of mature cannabis plants without the use of artificial lighting or light deprivation in the canopy area at any point in time (Page 3 of Cal Cannabis Regulations). This means that growers can no longer cover their outdoor plants and force early flowering and generally will be unable to grow more than one crop per year on a given outdoor cultivation site.

With water use projected at 6 gallons per day per plant, which is still a very disputed amount of water, and a total outdoor grow season of 150 to 180 days, a 2,500 square foot outdoor grow site (5 to 10 Acre Parcel) would use between (25 x 6 x 150 days) 22,500 gallons to (25 x 6 x 180 days) 27,000 gallons per year per site. Table 4.16-2 of the EIR shows 112,969 gallons which is more than 4 times the water use as described above utilizing the same source of information to calculate the water consumption. More detail will be provided in the following comments as the number of cycles per year that a cultivator may operate, but for most of the evaluations made in this EIR the assumption was made that 1/3 of parcels would grow outdoor, 1/3 in mixed-light and 1/3 indoors. Except for the 2 to 5 acre parcels which were limited to 500 square feet indoors.

Q-98  
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Q-99

Q-100

Q-101

For cannabis cultivations on sites between 10 and 20 acres a 5,000 square foot canopy outdoors would use 54,000 gallons (27,000 x 2 as shown in the 2,500 sf site above). The water use shown in table 4.16-2 shows 245,938 gallons. Water use on outdoor cannabis sites which are 20 acres or more correspond to a 10,000 canopy and would use 108,000 gallons of water (27,000 x 4 as shown in the 2,500 sf site above) compared to the 491,875 gallons per parcel shown in table 4.16-2.

Q-102

The parcels which are greater than 2 acres less than 5 acres are not permitted to grow outdoors in any land use category as stated in the draft cannabis ordinance. These parcels are allowed a maximum canopy of 500 square feet and must be located indoors and may not be located in a residence. These properties would require cannabis to grown under lights and could be grown year round. If an equivalent outdoor canopy was applied, 500 square feet would mean 5 plants and at a water use rate of 6 gallons per day for 180 days were applied and 2 grows per year were obtained the water use could be estimated at (5 x 6 gallons x 180 days x 2 grows) or 10,800 gallons per year.

Q-103

However, indoor cultivation is much better managed than outdoor, the plants are smaller and the pots are smaller, drip irrigation is used and hydroponics is sometimes involved, there is less evaporation, better monitoring of water use and some recycling, which when combined the water use would less than an equivalent outdoor water use. Considering these factors, and also understanding that the outdoor cultivation is using water for 6 months of the year for a single crop and indoor mixed light are producing 3 crops with four month cycles, the water use would be similar for a 2,500 square outdoor as a 2,500 square foot indoor and mixed light cultivation which equals 27,000 gallons per year using the higher figure described in the previous paragraph. This would reduce the 500 square foot facility to 5,400 gallons per year. Data in the EIR table 4.16- shows water use of 24,594 gallons per year for these parcels.

Q-104

## Other Comments on Water Use

Rand Corporation

*From Page 3 – Working Paper – Estimated Cost of Production for Legalized Cannabis, Jonathan P. Caulkins July 2010; RAND Drug Policy Research Center*

Q-105

Water consumption calculations give a sense of perspective. Cannabis is not a water intensive crop, but indoor cultivation requires attention to hydration levels, and Cervantes estimates that 16 plants will require between 10 to 25 gallons of water per week (Cervantes, 2006). Assuming plants are grown for 90-days before harvest, which is equivalent to 8 - 20 gallons of water per plant.

## Cannabis Cultivators' Report on Water Usage

Marijuana Venture September 23,, 2015

By Swami Chaitanya

<https://www.marijuanaventure.com/report-on-water-usage/>

The Mendocino Cannabis Policy Council, along with the Emerald Growers Association, has polled numerous cannabis cultivators about their water usage. From these results, with great help from Casey O'Neil, we derived a formula which is: one gallon per day to produce one pound of cured cannabis flower buds (1:1:1).

So how much water does cannabis really use?

Our canvassing indicates that most cannabis farmers grow plants that average between two and four pounds. One-eighth of an acre (50 feet by 100 feet with 50 cannabis plants) would use 24,000 gallons per season (about eight months or 240 days). This would result in producing 50 two-pound plants and using 480 gallons per plant. A two-pound plant divided into eighths of an ounce yields 256 eighths. Thus, the whole garden with 50 plants would produce 12,800 eighths of an ounce. (For the purpose of this article, an eighth of an ounce is being used as a standard retail unit comparable to one pound of beef, one bottle of wine or one can of almonds.)

Each eighth then requires 1.875 gallons of water (24,000 gallons divided by 12,800). It has been widely reported that producing a pound of beef requires at least 1,500 gallons of water. Wine uses between 180 and 400 gallons per bottle\*. Almonds need one gallon per nut or about 100 gallons per can, broccoli takes about five gallons per head and avocados about 75 gallons per pound.

But, wait! The same plant that produces two pounds of cured, finished flower buds also produces at least half a pound of "smalls" which farmers and dispensaries often donate to needy patients, sell at a steep discount or consume themselves. It will also produce at least half a pound of trim shake. The leftover smalls and shake can then be processed to make concentrates, edibles, tinctures, salves, oils, etc. All that additional product, all that value added, with no additional water required.

The California Department of Fish and Wildlife published a report on cannabis growing in Mendocino and Humboldt counties, highlighting three typical valleys. The department concluded that there were about 26,000 plants in Outlet Creek Valley. The implied conclusion, based on an assumption of six gallons of water per day per plant, was that cannabis was drying up the creeks.

Q-105  
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A closer analysis points to a different result. Using Fish and Wildlife numbers, which most farmers consider too high; six gallons a day for the peak growing season of 150 days of summer means water use of 900 gallons per plant. This is the same water use as a 3.75-pound plant for 240 days, in our 1:1:1 formula, which would require about two gallons per eighth-ounce. If there were 400 sun-grown plants in an acre, 26,000 plants need 65 acres.

<https://www.green-technology.org/gcsummit18/images/Water-Cannabis.pdf>

## HOW IS WATER CONSUMED IN CANNABIS CULTIVATION?

- Clone
  - Minimal Water Use (Rooted cuttings in humidity domes)
- Vegetative Growth
  - Avg. Peak Consumption 4 Gal/Day per Kw of Light
  - Lighting Density is 300-600 Watts per 25 Sq Ft
  - Or .048 Gal/Sq Ft-.096 Gal/Sq Ft
- Flowering Growth – Controlled Environment
  - Avg Peak Consumption 4 Gal/Day per Kw of Light
  - Lighting Density is 600-1000 Watts per 25 Sq Ft
  - Or .096 Gal/Sq Ft-.16 Gal/Sq Ft
- Flowering Growth – Outdoor Environment
  - Similar to High Density Controlled Environment
  - .12-.20 Gal/Sq Ft

Q-105  
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## 11.0 Ancillary Buildings

The supporting areas outside of the canopy should be sized correctly to support the cannabis cultivation. State laws requires that operations on the same site. Say an outdoor license and a mixed-light license cannot share drying areas, trimming area or secured storage areas. A total canopy of 10,000 square feet requires 10,000 square of drying area just by definition if the entire plants are hung and dried at one time. If the plants are broken down before drying, which requires additional labor and cost to the grower, the square footage could be reduced to less than 50% of the canopy. Preferable the drying area would be enclosed and some level of filtering provided to reduce the odor during this

Q-106

phase of the operation. Processing, which is an area that requires lighting and HVAC could be accomplished in a fairly small footprint, but since there employees for trimming, a bathroom is requires and can be shared for multiple license operations and some sites may also have a shower and changing area for employees as part f their quality control plan to reduce the risks of containments into the processing and cultivation areas. State law requires secure storage and like the processing and drying areas each license type must have separate spaces. An office where the required records can be kept would also likely be included for the larger cultivation sites. Other areas which outside the canopy area are the pesticide storage and hazardous materials storage areas, tools and equipment storage area, covered area for a standby backup generator and covered soils area which could be under solid cover to comply with Water Board Best Management Practices.

A tarp over a pile of soil be not provide the best protection for streambeds when a project in adjacent to a waterway. The area of soils storage would vary between operators. Another area which is significant for operations is the immature plant area located outside of the canopy. Outdoor cultivators may just place plats in pots and cover the area with a temporary structure (hoop house of low tunnel greenhouse) in the spring to protect the plants. An indoor or mixed-light greenhouse is growing under a controlled environment in most cases year round. Immature plants are not counted as part of the canopy in state regulations and would be placed near the greenhouse and covered before moving into the licensed canopy area. These plants are not allowed to flower outside the canopy and would be smaller in footprint that the licensed canopy area. If 25% of the licensed canopy area is established for immature plants, most type of operations would be accommodated.

The soils storage area would need only a roof and maybe 400 square feet of covering for a 10,000 operation. The pesticide and hazardous materials structures would areas could be a maximum of 25 square feet and if two operations were conducted on the same site were separate from each other or state law placed requirements on these spaces being combined and used between multiple licenses, a total of 100 square feet should be ample for a 10,000 cultivation site. The composting area if used by the license holder for onsite composting (Cannabis waste cannot be burned), does not need to be covered but must be shown on the site plan. The solid waste collection / storage area also is not required to be covered but must be shown of the site plan. A single building for drying, processing, secure storage for a 10,000 cultivation site where there were 2 cultivation licenses on the same site, say one outdoor of 5,000 sf and one mixed light of 5,000 sf, would require separate spaces for each license. The drying, processing and secured storage areas would need to be separate for each license, but they could both be contained in the same building. Some areas could be shared such as a single bathroom, shower, changing area, office and small amount of storage area as well as hallway and break room for

Q-106  
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employees. All of these activities could possibly fit in a single 3,200 square foot building (40' x 80' metal building), but additional space for drying, which could be contained in an agricultural building would also be required.

This sample building layout could provide 2) drying areas of 1120 sf (28' x 40') each, 2) processing areas of 192 sf (12' x 16') each, 2) secure storage areas of 72 sf (6' x 12') each, a single wheelchair accessible bathroom of 48 sf (6' x 8") and single shower and changing area and storage of 48 sf (6' x 8') plus a small breakroom, hallway and office / file storage of 144 sf (12' x 12'). The concern of this layout is the small footprint for cannabis drying which is only 1,120 sf which is just 22% of the canopy area. If the entire crop were harvested at once additional drying areas would be required but these could be placed in a separate space such as an agricultural building and rotated into the main processing building after drying.

Q-106  
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At a minimum there should be an allowance for 50% of the canopy available for drying. As mentioned the additional drying area could be just a simple agricultural building and if a total of 5,000 of drying were required for a 10,000 square foot facility, and 2,240 sf was provided in the main processing building and additional 2,240 square feet of drying space would be required would need to be divided in half to meet the state requirements of separation. Since the main processing building will likely require fire sprinklers, moving the additional drying area into an agricultural building would also reduce the project's development cost. Dehumidification and odor control may be other considerations for the agricultural building. Additionally, this is only a proposal for an example type of one cultivation site, and one hundred different cultivators may have 100 different ways of cultivation and processing.

Q-107

In summary, this example for a 10,000 square foot operation which is licensed for one 5,000 outdoor and one 5,000 mixed-light operation, which is a fairly common setup for commercial operations being proposed on 20 acre or larger sites, would require the following supporting covered square footage outside the canopy area and could be summarized as follows:

Q-108

| Electric Use - Supporting Ancillary Buildings and Immature Plant Area                                                                                                                                                                                  |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-----------------------------------|-------------------------|----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------------|---------------------|----------------------------|---------------------|
| 10,000 Square Feet of Total Cultivation                                                                                                                                                                                                                |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
| Assumes 2 Licenses on the Site: 5,000 sf Mixed Light Plus a 5,000 sf Outdoor Cultivation                                                                                                                                                               |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
| All Areas Described Below are Required to be Shown on the Site Plan to Obtain a State License if Processing (Drying and Trimming) is Performed at The Cultivation Site, Except for the Shower, Break Room, Hallway and Office and Records Storage Area |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
| Feb. 20, 2019                                                                                                                                                                                                                                          | Plan-aire.com           |                                   |                         |                            |                                                                                                                                                                                                                              |                    | Electrical Use            |                     |                            |                     |
|                                                                                                                                                                                                                                                        | Temporary Covered Space | Other Agricultural Building Space | Enclosed Building Space | Uses Contained in Building | Description ;<br>* These Use must be Separated for Multiple Licenses on a Single Site<br>** These Uses can be Shared                                                                                                         | % of Total Canopy  | Processing & Office       | Warehouse           | Other                      |                     |
| Immature Plants*                                                                                                                                                                                                                                       | 2,500 sf                |                                   |                         |                            | 2) 1,250 sf Areas                                                                                                                                                                                                            | 25% of canopy      | kWh per SF                | kWh per SF          | kWh per SF                 |                     |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    | 11.8                      | 6.4                 | 0                          |                     |
| Single Processing Building                                                                                                                                                                                                                             |                         |                                   | 3,200 sf                |                            |                                                                                                                                                                                                                              | 32% of canopy      |                           |                     |                            |                     |
| Drying Areas*                                                                                                                                                                                                                                          |                         |                                   |                         | 2,240 sf                   | 2) 1,120 sf Drying Areas                                                                                                                                                                                                     |                    |                           | 2,240               |                            |                     |
| Processing Areas*                                                                                                                                                                                                                                      |                         |                                   |                         | 384 sf                     | 2) 192 sf Processing Areas                                                                                                                                                                                                   |                    | 384                       |                     |                            |                     |
| Secured Storage Areas*                                                                                                                                                                                                                                 |                         |                                   |                         | 144 sf                     | 2) 72 sf Secured Storage Areas                                                                                                                                                                                               |                    | 144                       |                     |                            |                     |
| Bathroom**                                                                                                                                                                                                                                             |                         |                                   |                         | 48 sf                      |                                                                                                                                                                                                                              |                    | 48                        |                     |                            |                     |
| Shower Changing Area**                                                                                                                                                                                                                                 |                         |                                   |                         | 48 sf                      |                                                                                                                                                                                                                              |                    | 48                        |                     |                            |                     |
| Hallway and Break Room**                                                                                                                                                                                                                               |                         |                                   |                         | 192 sf                     |                                                                                                                                                                                                                              |                    | 192                       |                     |                            |                     |
| Office and Records Area**                                                                                                                                                                                                                              |                         |                                   |                         | 144 sf                     |                                                                                                                                                                                                                              |                    | 144                       |                     |                            |                     |
| Other:                                                                                                                                                                                                                                                 |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
| Additional Drying Areas*                                                                                                                                                                                                                               |                         | 2,760 sf                          |                         |                            | 2) 1,380 sf Additional Drying Areas                                                                                                                                                                                          | 27.6% of Canopy    |                           |                     |                            | 2,760               |
| Soils Storage Area**                                                                                                                                                                                                                                   |                         |                                   | 400 sf                  |                            |                                                                                                                                                                                                                              | 4.0% of Canopy     |                           |                     |                            | 400                 |
| Hazardous Material Storage**                                                                                                                                                                                                                           |                         |                                   | 50 sf                   |                            |                                                                                                                                                                                                                              | 0.50% of Canopy    |                           |                     |                            | 50                  |
| Pesticide Storage**                                                                                                                                                                                                                                    |                         |                                   | 50 sf                   |                            |                                                                                                                                                                                                                              | 0.50% of Canopy    |                           |                     |                            | 50                  |
| Tools and Equipment Storage**                                                                                                                                                                                                                          |                         |                                   | 400 sf                  |                            |                                                                                                                                                                                                                              | 4.0% of Canopy     |                           |                     |                            | 400                 |
| Enclosed Standby Generator**                                                                                                                                                                                                                           |                         |                                   | 25 sf                   |                            |                                                                                                                                                                                                                              | 0.25% of Canopy    |                           |                     |                            | 25                  |
| Summary of Space Outside of Canopy                                                                                                                                                                                                                     |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    | Total                     | Total               | Total                      | Total               |
| Single Processing Building                                                                                                                                                                                                                             |                         |                                   | 3,200                   |                            | Note: The Total Drying Area Shown Equals 5,000 Square Feet which is 1/2 of the Total Canopy. Drying Areas Cannot be Shared Between Licenses. The Harvest Would Require Breaking Down the Plants to Fit Into The Drying Area. |                    | Processing & Office SF    | Warehouse SF        | Other SF                   | Ancillary Buildings |
| Agriculture Building Space                                                                                                                                                                                                                             |                         | 2,760                             |                         |                            |                                                                                                                                                                                                                              |                    | 960                       | 2,240               | 3,685                      | 6,885               |
| Other Covered Areas Total                                                                                                                                                                                                                              |                         |                                   | 925                     |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
| Site work - Foundation                                                                                                                                                                                                                                 |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
| Site work - Grading and Drainage                                                                                                                                                                                                                       |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
| Site work - Utilities                                                                                                                                                                                                                                  |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     |                            |                     |
| Site work - Fire Protection                                                                                                                                                                                                                            |                         |                                   |                         |                            |                                                                                                                                                                                                                              |                    |                           |                     | Immature Plants kWh per SF |                     |
| Total Enclosed and Covered                                                                                                                                                                                                                             |                         |                                   | 6,885                   |                            |                                                                                                                                                                                                                              | 68.8% of Canopy    |                           |                     | 5                          |                     |
| Immature Plant Area                                                                                                                                                                                                                                    | 2,500                   |                                   |                         |                            |                                                                                                                                                                                                                              | 25% of Canopy Area |                           |                     | 2,500                      | 2,500               |
| Total Outside of Canopy                                                                                                                                                                                                                                |                         |                                   | 9,385                   |                            |                                                                                                                                                                                                                              | 93.85% of Canopy   |                           |                     |                            | 9,385               |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            |                                                                                                                                                                                                                              | % of Canopy        | Total kWh Processing      | Total kWh Warehouse | Total kWh Immature Plants  | Total kWh           |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            | Processing & Office 11.8 kWh / SF                                                                                                                                                                                            | 9.60%              |                           |                     |                            |                     |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            | Warehouse 6.4 kWh / SF                                                                                                                                                                                                       | 22.40%             | 11,328                    | 14,336              | 12,500                     | 38,164              |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            | Agriculture Buildings 0 kWh                                                                                                                                                                                                  | 36.85%             |                           |                     |                            |                     |
| See Tab Electric                                                                                                                                                                                                                                       |                         |                                   |                         |                            | Immature Plants 0 kWh                                                                                                                                                                                                        | 25.00%             | Total Cultivation Site    |                     | 10,000                     |                     |
|                                                                                                                                                                                                                                                        |                         |                                   |                         |                            | Total % of Canopy                                                                                                                                                                                                            | 93.85%             | kWh per SF of Cultivation |                     | 3.82                       |                     |

Q-109

## Summary of Ancillary Space for Cannabis Cultivation

|                                                    |          |                  |
|----------------------------------------------------|----------|------------------|
| Immature Plants Area                               | 2,500 sf | 25% of canopy    |
| Processing, Final Drying and Office                | 3,200 sf | 32% of canopy    |
| Other:                                             |          |                  |
| Additional Drying Areas<br>(Agricultural Building) | 2,760 sf |                  |
| Soils Storage Area                                 | 400 sf   |                  |
| Hazardous Material Storage                         | 50 sf    |                  |
| Pesticide Storage                                  | 50 sf    |                  |
| Tools and Equipment Storage                        | 400 sf   |                  |
| Enclosed Standby Generator                         | 25 sf    |                  |
| Other Covered Areas Total                          | 3,685 sf | 36.85% of canopy |
| Total Enclosed and Covered                         | 6,885 sf | 68.8% of canopy  |
| Immature Plant Area                                | 2,500 sf |                  |
| Total Outside of Canopy                            | 9,385 sf | 93.85% of canopy |

Q-110

For project evaluation purposes it is assumed an additional 93.85% to 100% of the licensed canopy area required for supporting areas for the cannabis cultivation. Composting areas are excluded from the calculations.

Commercial cannabis cultivators need room to produce their products. Significant expense is required to develop these sites, and there is no benefit for the County or the operator for site requirements to be so constrained, that operator would not be able to be successful. Fewer well designed cannabis operations are far better for the community than the addition of many more sites even with a slightly smaller individual footprint. Abandoned cultivation sites which fail financially, will have to be mitigated and properly closed and will place additional burdens and all of the regulating agencies.

Reasonable requirements for supporting and ancillary buildings must be part of the cannabis cultivation ordinance. A 25% solution as currently proposed is not even close to being adequate to support commercial cannabis operations as discussed above. Besides it is far better to deal with the realities of supporting structures in the beginning rather than later, when structures just show up on properties to support cultivation, so an operator can financially survive in what is likely to be a very competitive market. The total footprint for a 10,000 site would reach about 20,000 square feet plus what is required for roads and parking. If grading is involved the entire disturbed area of a 20 acre parcel may reach 1.3 acres to 1.5 acres, while 20 acre sites which doesn't require grading could be constructed in about ½ acre of total disturbed area if a driveway and parking already exist adjacent to the cultivation area. A 5,000 canopy cultivation site would require a similar need for ancillary structures than the 10,000 cultivation site examined, which would equal 5,000 sf of covered area outside the canopy. The 2,500 square foot canopy site would require 2,500 square feet outside the canopy.

Q-110  
cont'd

### **Ancillary Space – BOTEC**

There is also the complicated question of ancillary space that is essential to production, but which is not itself harvested. There are three types of ancillary space:

- 1) Space for growing plants that are not at the harvestable stage (mother plants, seedlings, etc.).
- 2) Dead space that is intertwined with area to be harvested (e.g., walkways).
- 3) Other areas not directly involved in growing (space used for drying, storing tools, record keeping, bathrooms, etc.).

Ancillary space can easily be half as large as the canopy area that is harvested, meaning that 2/3 of a facility may be devoted to canopy.

Q-111

## 12.0 Brief Biography of the Author of this Report

Voted the best draftsman in three local area high schools (1972)

Recruited while in high school to work in the civil engineering department for the City of Glendora

Worked in civil engineering for next 13 years on a variety of large land development projects throughout Southern California and worked extensively with many local cities, counties, MWD and Caltrans.

Recruited as the Director of Planning and Engineering at age 30, by a large land development firm and given responsibility for 20,000 acres of land in California. Became a partner in the firm and donated 100 acres to President Reagan for the Presidential Library in Simi Valley.

Participated in the first Master's Program at M.I.T. in 1985 for Land Development

Returned to civil engineering after 5 years and managed many large projects including the reuse plan for Norton Air Force Base, Yerevan Airport expansion and new cargo terminal in Armenia, site restoration and hazardous materials investigation and remediation for 60 acres of Lockheed's property at Burbank Airport. Appointed Campus Engineer for Caltech and for 3 years, coordinated the infrastructure development for the campus, during the largest expansion of the campus since the founding of the institution. Selected as one of the 10 project managers, (from the largest engineering firms in the country), to submit a detailed proposal to Disney, for the proposed Westcott Center in Anaheim. (The project was scrapped and California Adventure was built instead).

After 8 years returned to land development and managed the development of 600 acres adjacent to the Stevenson Ranch in Los Angeles County.

Started a Landscape Architecture and Land Planning firm (*Plan-aire*) in 2001

Spent 5 years working with a land use attorney in Los Angeles. He had written the original geothermal law for California, and when he died at age 100, he had held a valid bar license longer than any other attorney in the state's history.

Started a financial services company buying charged off debt from the banks after the financial collapse in 2008 – 2009. With other investors, over 100,000 accounts.

Moved to Grass Valley in 2012 and became interested in cannabis cultivation and regulation. Currently keeping active the Landscape Architecture (my wife is licensed) and some land planning projects and mostly focusing on cannabis site plans and permit processing and regulatory review.

Q-112

## Response to Comment Letter Q - Gary Baker

**Response to Comment Q-1:** The commenter provides introductory remarks regarding the focus of the comments related to the 30% Alternative and the commenter references 12 Alternatives the commenter created of which, the commenter determined Alternative 5 was preferred. The commenter notes other comments, which are discussed in other Responses to Comments. This comment is introductory, and no further response is required.

**Response to Comment Q-2:** The commenter notes the DEIR is big target and needs to be tightened up. The comment is noted, and no further response is required.

**Response to Comment Q-3:** The commenter notes there is a problem with using so many parcels and that is the project is too large and unrealistic. The commenter makes general comments that population, housing, and electricity are underestimated. The comment states that the analysis did not look at the total amount of cannabis that could be cultivated. This comment is general in nature, but the commenter is referred to **Master Response 1**, regarding the baseline, **Master Response 2** regarding use of a Program document to cover the scale of the project, **Response to Comment K-4, K-12, K-17, K-18, O-8**, related to parcel utilization, **Response to Comment O-223, O-226, O-236, O-237** regarding population and housing, **Response to Comment O-229 and O-400** regarding production of cannabis, and **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy.

**Response to Comment Q-4:** The commenter notes the use of the 27,207 parcels is fundamentally flawed. The commenter is referred to **Response to Comment K-4 and K-12, K-17, K-18, O-8**, related to parcel utilization.

**Response to Comment Q-5.** The commenter notes that any project reduced in scale from the proposed NCCO would be preferable. The commenter then prefaces future comments related to the 30% Alternative and compares, permits, canopy size, percent production, employees, water, electric, and renewable energy use, market share based on 2060 projections, permit allocation for RA zones. The commenter then provides a table with the calculations for the 12 Alternatives created by the commenter. These Alternatives are listed in **Response to Comment P-2**. The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment Q-6.** The commenter continues the introduction noting project size analyzed in the DEIR was incorrect, cites CEQA and worst-case scenario requirements, and questions the projection timeline. The commenter is referred to **Response to Comment K-4 and K-12, K-17, K-18, O-8**, related to parcel utilization, the commenter is referred to **Master Response 1, Response to Comment K-4, M-4, O-236, O-350, and O-358**, regarding worst-case analysis. The DEIR does not provide a build-out or timeline for completion. Among any number of other variables, it is unknown ultimately how many residents may wish to cultivate, it is unknown ultimately how many parcels will be utilized, and it is unknown how long it may take for cultivators to build and get their facilities operational. In further discussion of this, the proposed NCCO is evaluated on a Program basis in terms of CEQA, and future cultivation projects would be evaluated for impacts as they are permitted on a case by case basis.

The County recognizes the information provided by the commenter provided. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment Q-7:** The commenter suggests using a different baseline but suggests a different methodology for allowing parcels to be used. In essence the commenter is suggesting another Alternative. The comment is referred to **Master Response 1**, regarding the baseline, **Master Response 2** regarding use of a Program document to cover the scale of the project, **Response to Comment K-4 and K-12, K-17, K-18, O-8**, related to parcel utilization. The commenter is referred to **Response to Comment J-4, K-4, L-3, and O-29**.

Nonetheless, this comment (alternative) as well as the other 12 Alternatives presented, specifically Alternative 5 (commenter's Preferred Alternative) will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment Q-8:** The commenter notes that most EIR's have a viability of 10-15 years and questions the use of the 27,207 parcel worst case. The commenter then notes changes that are supposed to take place in the State law regarding canopy limits. The commenter is referred to **Response to Comment K-4, K-12, K-17, K-18, and O-8**, related to parcel utilization. The County notes that the State law is scheduled to change. The County; however, is not required to change the cultivation limits based on State law. Therefore; this has no bearing on the proposed NCCO and cultivation area. The comment is noted and no further response is required.

**Response to Comment Q-9:** The commenter notes the RA Alternative in the DEIR did not include a separate figure, so the commenter states they calculated it. The comment is noted. No further response is required.

**Response to Comment Q-10:** The commenter notes advantages for simplifying the project, in essence reducing the project footprint. As discussed in previous responses, there are certain advantages and disadvantages to either methodology. Although the comment does not question the adequacy of the DEIR, the commenter is referred to **Response to Comment K-4, K-12, K-17, K-18, and O-8**, related to parcel utilization, and **Master Response 1**, regarding the baseline. No further response is required.

**Response to Comment Q-11:** The commenter notes that changing the Project Description would most likely involve recirculating the DEIR. This comment is noted. No further response is required.

**Response to Comment Q-12:** The commenter notes that editing the DEIR will not resolve fundamental issues. The FEIR has been revised for clarity and to address comments. No further response is required.

**Response to Comment Q-13:** The commenter notes that a delay in the project schedule may have an impact on local cultivators. This comment is not related to an environmental issue within the context of CEQA. No further comment is required.

**Response to Comment Q-14:** The commenter makes a statement about the validity of state licenses. This comment is not related to an environmental issue within the context of CEQA. No further comment is required.

**Response to Comment Q-15:** The commenter suggests adoption of an interim license. The commenter is referred to **Response to Comment Q-16**, below.

**Response to Comment Q-16:** The commenter suggests developing an interim ordinance to allow current temporary license holders (121) to proceed with a state provisional License (up to 350) until the FEIR is adopted. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment Q-17:** The commenter suggests revising the Project Description and allowing RA zones. The DEIR discusses the Cultivation Allowed in RA Zones Alternative. The commenter is referred to **Response to Comment J-4, K-41, L-3, and O-29**, for a discussion of requirements related to Alternatives. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment Q-18:** The commenter makes statements about the history of cannabis cultivation, that the 3,500 existing cultivation sites should have priority and buildout timeline. This comment is not related to an environmental issue but the commenter's feelings on how the process should proceed. No further comment is required.

**Response to Comment Q-19:** The commenter discusses the timeline for project implementation and validity of the Program EIR. The Program EIR would be used for as long as it is valid. This comment is not related to any other environmental issue and discusses the commenter's feelings on how the process should proceed. No further comment is required.

**Response to Comment Q-20:** The commenter suggests using a different alternative and updating the EIR as needed in the future. The commenter is referred to **Response to Comment J-4, K-41, L-3, and O-29**, for a discussion of requirements related to Alternatives. Any future EIR will be amended with supplemental information or rewritten as required by CEQA. No further comment is required.

**Response to Comment Q-21:** The commenter states the alternative is reasonable for a few reasons. This comment is not related to any other environmental issue and discusses the commenter's feelings on how the process should proceed. No further comment is required.

**Response to Comment Q-22:** The commenter states another reasonable alternative is to reduce the canopy size. The commenter is referred to **Response to Comment J-4, K-41, L-3, and O-29**, for a discussion of requirements related to Alternatives. This information will be provided to the County decision-makers for their review. No further response is required.

**Response to Comment Q-23:** The commenter summarized the number of parcels and canopy analyzed in the DEIR. The commenter states an arbitrary reduction of 30% is not sufficient. Section 6.0 Alternatives discusses the requirements of the alternatives discussion. This section states the following:

"Section 15126.6 of the California Environmental Quality Act (CEQA) Guidelines requires that an Environmental Impact Report (EIR) describe a range of reasonable alternatives to the proposed project or to the location of the project site that could feasibly avoid or lessen any significant environmental impacts of the project while attaining most of the proposed project's basic objectives. The EIR is not required to consider every conceivable alternative to a project but is guided by a rule of reason. An EIR is not required to consider alternatives which are infeasible. Section 15126.6(d)) states that the EIR must consider a reasonable range of potentially feasible alternatives that will foster informed decision making and public

participation. The State CEQA Guidelines require that the EIR include sufficient information about each alternative to allow meaningful evaluation, analysis, and comparison with the project. If an alternative would cause one or more significant effects in addition to those that would be caused by the project as proposed, the significant effects of the alternative must be discussed, but in less detail than the significant effects of the project as proposed (CCR Section 15126.6[d]).”

The discussion of alternatives in the DEIR satisfy these CEQA requirements. No further response is required.

**Response to Comment Q-24:** The commenter provides a discussion of why the RA zone should be included in the baseline. This comment is noted. The commenter is referred to **Response to Comment J-4, K-41, L-3, and O-29**, for a discussion of requirements related to Alternatives, and Response to Comment Q-17 which discusses that the DEIR included the Cultivation Allowed in RA Zones Alternative. No further response is required.

**Response to Comment Q-25:** The commenter further elaborates on the proposed RA inclusion. The commenter is referred to **Response to Comment J-4, K-41, L-3, O-29, Q-17, Q-20, Q-22, and Q-24**. No further response is required.

**Response to Comment Q-26:** The commenter continues the discussion on the proposed RA inclusion. The commenter is referred to **Response to Comment J-4, K-41, L-3, O-29, Q-17, Q-20, Q-22, and Q-24**. No further response is required.

**Response to Comment Q-27:** The commenter notes the DEIR provides detailed work on some areas and restates elements of the proposed NCCO. No further response is required.

**Response to Comment Q-28:** The commenter notes hydrology and water quality, utilities and service systems, and energy. The commenter notes calculations related to these resource areas and also notes workers are required. This comment does not raise an environmental issue within the context of CEQA. No further comment is required.

**Response to Comment Q-29:** The commenter notes impacts of development on 7,000, 5,250, or 4,250 parcels would be less than development on 27,207 parcels. The County agrees that if all parcels are built out this would be true. No further comment is required.

**Response to Comment Q-30:** The commenter notes the 30% Cultivation Alternative discussed in the DEIR. The commenter then notes there are four basic ways to look at reducing project size and briefly describes other alternatives the commenter listed. This comment does not raise an environmental issue within the context of CEQA. No further comment is required.

**Response to Comment Q-31:** The commenter provides comparison to the State of Colorado, Colorado’s population and makes comparison of permits California can support. The commenter then notes the project is not looking at 2016 production demands but 2060. The comment is noted. The proposed NCCO is not concerned with demand for produced cannabis nor the resulting market for cannabis. Accordingly, such an analysis is outside the scope of this Program EIR and outside of CEQA for the purposes of this project. The basic purpose of the proposed NCCO is to adopt a permitting system for commercial

cultivation of cannabis in the County. The ultimate production and profitability will be realized by current and future cultivators.

**Response to Comment Q-32:** The commenter provides background on the alternatives that the commenter presents. This comment does not raise an environmental issue within the context of CEQA. No further comment is required.

**Response to Comment Q-33:** The commenter provides background information on how the commenter came to the conclusion of determining project size. This comment does not raise an environmental issue within the context of CEQA. No further comment is required.

**Response to Comment Q-34:** The commenter discussed the Alternative 5 – Preferred Project the commenter is proposing. The commenter provides specific details and provides a table with the details of this alternative and proposed project. This comment does not raise an environmental issue within the context of CEQA. No further comment is required.

**Response to Comment Q-35:** The commenter provides a discussion of CEQA and cites sections of CEQA. Most of these, if not all, were sections previously posted in **Comment P-20**. The comment is noted. No further response is required.

**Response to Comment Q-36:** The commenter provides information on program-level EIR versus project level EIR. The comment is noted. No further response is required.

**Response to Comment Q-37:** The commenter questions if the program level EIR meets all the requirements specified in CEQA. The commenter questions the DEIR in general terms of the foundation of 27,207 parcels and tiering, population increase, visual impacts from solar and site disturbance, employee numbers, water use, energy, and traffic. The commenter questions growth-inducing impacts, buildout timeframe, subsequent projects that can use the program EIR, impacts to public services. None of the comments make specific comment or questions related the resources or resource areas. The commenter is referred to *Section 4.13 Public Services*, which discusses impacts to public services, *Section 4.3 Aesthetics*, which discusses visual impacts associated with the project elements and would, through the incorporation of management plans, site screening, and conformance to zoning code and design standards, result in impacts that are less than significant as defined in Impact 4.3-3. The commenter is referred to **Response to Comment K-4 and K-12, K-17, K-18, O-8**, related to parcel utilization; **Response to Comment O-223, O-226, O-236, O-237** regarding population and housing and employees; **Response to Comment and O-229 and O-400** regarding production of cannabis; **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy; **Response to Comment O-123, and O-130**, for water use; **Response to Comment C-2, C-6, C-8** regarding subsequent CEQA evaluation; and **Response to Comment Q-18** buildout timeframe, permits would be issued on a case by case basis and the Program EIR will be used for as long as it is reasonable.

No further response is required.

**Response to Comment Q-38:** The commenter discusses the potential for challenges to the DEIR. This comment is noted but does not raise a specific environmental issue within the context of CEQA. No further response is required.

**Response to Comment Q-39:** The commenter notes that keeping the same baseline, revising the project impacts and examining more projects would be valuable. The commenter states the document appears to be more of a land use document comments on the validity of the program EIR. The commenter is referred to **Master Response 1**, and **2**, and **Response to Comment K-4 and K-12, K-17, K-18, O-8**. No further response is necessary.

**Response to Comment Q-40:** The commenter discusses key areas of environmental review and lists energy use, water use, and employees, and the use of renewable energy. The commenter is referred to **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy and renewable energy, **Response to Comment O-123, and O-130**, for water use; and **Response to Comment O-223, O-226, O-236, O-237** regarding employment. These discussions also include a discussion of population and housing, which are directly related.

**Response to Comment Q-41:** The commenter discusses parcels, canopy, and ancillary structures and discusses characteristics of an alternative with RA parcels included, and a new cultivation ordinance to amend the number of permits issued each year. This comment does not raise an environmental issue within the context of CEQA. The comment will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment Q-42:** The commenter discusses parcels with residences and states that the DEIR assumes all parcels could contain a residence although this is not the case. The commenter provides a table with rural parcels with a residence. This comment is noted. As discussed above, the DEIR used the total of 27,207 parcels for a variety of reasons. This is further discussed in **Response to Comment K-4** and to a lesser extent in **Response to Comment K-12, K-17, K-18, O-8**.

**Response to Comment Q-43:** The commenter provides a discussion of the breakdown of RA zoned parcels and notes that the in the commenter's discussion 5,693 parcels is used. The commenter noted that this number was used because the 20,833 RA parcels discussed in the DEIR appeared to be incorrect. This is not true. The correct number of RA parcels is 20,933. This comment is noted. No further discussion is required.

**Response to Comment Q-44:** The commenter provides a table within the total parcels compared to the total number of parcels with residences. It should be noted that the commenter uses 5,693 RA parcels but it is 20,833. This commenter does not raise an environmental issue related to the DEIR that warrants additional discussion. The commenter's analysis will be provided to County decision-makers. This comment is noted, and no further response is required.

**Response to Comment Q-45:** The commenter discusses the development of a modified allocation scenario. This comment is noted, and no further response is required.

**Response to Comment Q-46:** The commenter provides a table of the active state temporary Cultivation Permits as of February 9, 2019 and a table of the active state temporary Cultivation Permits as of February 9, 2019 (w/o medium licenses); including a breakdown of the cultivation types and square footage. This commenter does not raise an environmental issue related to the DEIR that warrants additional discussion. The commenter's analysis will be provided to County decision-makers. This comment is noted, and no further response is required.

**Response to Comment Q-47:** The commenter provides a discussion analyzing project alternatives. The commenter does not raise an environmental issue related to the DEIR that warrants additional discussion. The commenter's analysis will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-48:** The commenter provides information on how the project size used in the commenter's evaluation was determined. The commenter notes that the subsequent section of discussion in the comments talk about cannabis yield. The commenter's analysis will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-49:** The commenter provides a discussion of the current DEIR analysis related to cannabis yield. The commenter reiterates that the use of the 27,207 parcels is unrealistic and states the DEIR did not discuss cannabis yields. The commenter is referred to **Response to Comment K-4 and K-12, K-17, K-18, O-8**, related to parcel utilization, and **Response to Comment O-229 and O-400, and Q-31** regarding production of cannabis and yield. The commenter's analysis will be provided to County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-50:** The commenter notes that yield is important in terms of the number of employees. The commenter is referred to **Response to Comment O-223, O-226, O-236, O-237** for a discussion of employees, which is discussed as part of population and housing.

**Response to Comment Q-51:** The commenter is referred to Response to Comment Q-50. This comment does not raise an environmental issue within the context of CEQA. No further response is required.

**Response to Comment Q-52:** The commenter is referred to **Response to Comment Q-50**. This comment does not raise an environmental issue within the context of CEQA. No further response is required.

**Response to Comment Q-53:** The commenter states that overproduction may be a problem. The commenter is referred to **Response to Comment Q-31**.

**Response to Comment Q-54:** The commenter discusses by the project yield cannot reach 100% of capacity. The comment is noted. The commenter is referred to **Response to Comment Q-31**. No further response is required.

**Response to Comment Q-55:** The commenter discusses the problem with assuming production on all parcels. The commenter is referred to **Response to Comment K-4 and K-12, K-17, K-18, O-8**, related to parcel utilization. No further response is required.

**Response to Comment Q-56:** The commenter discusses that the DEIR assumed the cultivation licenses would be evenly divided between mixed-light, Indoor, and outdoor cultivation. The commenter notes that outdoor cultivation should account for 50% of the license types. The DEIR did not assume the breakdown of license types. The license types will be determined on a project by project basis at the time the applications are processed. No further response is required.

**Response to Comment Q-57:** The commenter discusses the breakdown of cultivation type based on Cannabis Benchmarks. This comment does not raise an environmental issue within the context of CEQA. This comment is noted. No further response is required.

**Response to Comment Q-58:** The commenter discusses that by adjusting the permitting that is allowed the yields can be affected. This comment does not raise an environmental issue within the context of CEQA. The commenter's analysis will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-59:** The commenter provides additional detail regarding potential project yields and provides a chart on the effectiveness of production. The commenter then provides data on the gross total cannabis yield at full buildout of the proposed project. This comment does not raise an environmental issue within the context of CEQA. The commenter's analysis will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-60:** The commenter provides information on the Cannabis use rates based on the National Survey on Drug Use and Health Report for 2016. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-61:** The commenter discusses the future growth analysis within California. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-62:** The commenter provides a discussion on the population growth and estimate to 2060 (50, 975,904). The commenter provides information on the number and percentage of cannabis users, the types of cannabis users, and average consumption rates. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-63:** The commenter provides information regarding the price of cannabis. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-64:** The commenter provides information related to visitors/tourists to the state. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-65:** The commenter discusses export and import of cannabis to other states and notes it is illegal. The commenter speculates as to the future of federal regulation. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-66:** The commenter discusses the unregulated market and provides a charge comparing it, the legal medical adult use, and total market. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-67:** The commenter discusses the 6 plants for personal consumption from the passage of Proposition 64. The commenter concludes saying overall the 6 plants for personal use will have very little impact on state demand. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-68:** The commenter provides information on cannabis trim, edibles and other manufactured products. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-69:** The commenter provides information on the future projections of cannabis use. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-70:** The commenter provides information on the monthly expenditures for cannabis use. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-71:** The commenter provides a notes section. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-72:** The commenter provides tables that shows the population and cannabis use rates, cost of cannabis per gram, and monthly expenditures. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-73:** The commenter provides a summary of forecasts through 2060 and demand for cannabis. The commenter provides table showing a breakdown of the ages and types of use, and growth rate in pounds consumed. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-74:** The commenter discusses the competition for market share between cultivators discussed in terms of temporary licenses. The commenter discusses various cultivation sizes and large facilities planned for production. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-75:** The commenter provides information on the past production levels in Nevada County. The estimate of the commenter is that moving forward the typical production from a farm will be 100 pounds. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-76:** The commenter provides information on the market share of the different Alternatives – Alternative A, Alternative B and provides tables. The commenter notes that this is based on the assumptions and accuracy of the original ERA study, but the commenter guesses Nevada County was supplying approximately 17.5% of the California production. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-77:** The commenter provides information on the number of employees required for cannabis production and trimming and provides estimates of employees for the DEIR, and different Alternatives. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. The commenter is referred to **Response to Comment O-223**. This comment is noted, and no further response is required.

**Response to Comment Q-78:** The commenter provides a discussion regarding subtracting the labor used in the existing 3,500 cultivation sites and calculates out the number of needed workers and trimmers estimating that each site would require 0.75 workers. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-79:** The commenter discusses the number of full-time cultivation employees for Alternative 5 and compares this to the original project. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-80:** The commenter provides a discussion and estimates of the additional indirect workers such as transporters, suppliers, other professional workers, etc. The commenter notes these have not been addressed in the EIR and notes additional impacts are expected. The commenter is referred to **Response to Comment Q-3**, which provides a list of other responses addressing this comment.

**Response to Comment Q-81:** The commenter discusses the demand for employees that the DEIR used. The commenter is referred to **Response to Comment O-223, O-226, O-236, O-237** regarding population and housing. No further response is required.

**Response to Comment Q-82:** The commenter discusses the fairly low unemployment rate in Nevada County. The comment discusses the commenter preferred Alternative 5 and workers required, and notes that all the alternatives in the commenter’s study except the original project and 30% Alternative project assume that only parcels with existing residences would be included and there was no requirement for new housing. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-83:** The commenter discusses the estimates of needed employees from the DEIR and the commenter’s preferred Alternative 5. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-84:** The commenter discusses energy use and cites the California Public Utilities Commission (CPUC). The commenter notes certain key topics that include the following:

- o States that have legalized recreational cannabis have not necessarily seen an increase in energy consumption attributable to cannabis cultivation;
- o With respect to indoor cannabis cultivation, state building and/or energy codes sometimes result in cultivation operations that are less energy efficient than they could be, without any concomitant gains in safety;
- o What is energy efficient for one industry may not be energy efficient for another industry. For indoor cannabis cultivation, for example, insulation requirements may increase cooling needs, and HVAC economizers may increase the need for dehumidification and air filtration;
- o Indoor cultivation is generally accepted as the most energy-intensive cultivation method, but is also potentially the most water-efficient method;
- o California's cannabis exports exceed in-state consumption by a factor as high as four-to-one. The looming market uncertainty from a reversal in federal policy on prosecution may result in a market demand reduction and negatively impact in-state production as export falls; and
- o The cannabis industry has not benefitted from publicly funded agricultural research on how to best optimize production across a variety of cultivation methods, unlike other valuable agricultural commodities in the state.

This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-85:** The commenter discusses an evaluation for mixed-light operation based on 38% of electric use for lighting. The commenter discusses lighting for Tier-2 mixed-light operations and Tier-1 Mixed-light cultivation and discusses a Cornell University study. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-86:** The commenter discusses the evaluation contained in the DEIR related to Energy Use and Table 4.17-3. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-87:** The commenter continues in the discussion and notes the data is not separated into Tier 1 and Tier 2. This comment does not or raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-88:** The commenter continues discussing energy utilization and commenter states it is not clear why the energy is broken out in the way it is. The commenter is referred to the table notes at the bottom of Table 4.17-3: *Energy Use Based on Parcel Acreage*, which explains this information.

**Response to Comment Q-89:** The commenter provides a table showing the electricity use determined for the study. This comment does not or raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-90:** The commenter discusses total project electrical demands and electrical demands for Alternative 5 and discusses that the demand is greater than the County. The commenter is correct. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-91:** The comment discusses what the commenter refers to at the correct electric use for the project but notes that it is subject to a great deal of interpretation. The commenter notes that outdoor cultivation will require some power as will immature plants outside the canopy area. The commenter is referred to **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy.

**Response to Comment Q-92:** The commenter notes that electric use is based on kWh per square foot of canopy. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-93:** The commenter notes there are two types of mixed-light and the commenter discusses the electricity use from a CPUC, Cornell University, and Tier 1 and Tier 2. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-94:** The commenter notes that information related to this commenter was previously submitted in a prior round of comments. This is correct, and the commenter is referred to **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348**, regarding these comments.

**Response to Comment Q-95:** The commenter notes that determining and alternative projects viability must also include energy demand. The commenter notes that solar is not an efficient alternative. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-96:** The commenter provides information on converting electric power and describes watt-hours, kilowatts and kilowatt-hours, megawatts, and gigawatts. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided

to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-97:** The commenter provides information on solar energy and efficiency of solar panels including a high-end 350-Watt panel. The commenter discusses how much power and under what conditions the panel will generate electricity. The commenter notes that the solar calculation in the previous comments were misstated and led to an overstatement of panels needed for the project. The commenter provides a table showing the panels needed for the 40% renewable requirement. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-98:** The commenter provides information regarding the water demand and source information in the DEIR. The commenter is referred to **Response to Comment O-123, and O-130**, for water use. No further response is required.

**Response to Comment Q-99:** The commenter notes that water use in the DEIR is overstated. This comment is similar to comments in a previous comment letter. The commenter is referred to **Response to Comment O-123, and O-130**, for water use.

**Response to Comment Q-100:** The commenter provides information related to the California Cannabis Regulations and Specialty Cottage Outdoor license and states other requirements of the California regulations. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-101:** The commenter reiterates that water use is overstated and restates comments received from the previously indicated prior letter. The commenter is referred to **Response to Comment O-123, and O-130**, for water use.

**Response to Comment Q-102:** The commenter provides an assessment and summary of information contained in Section 4.16 Utilities and Service Systems of the DEIR. The commenter is referred to the section of text above the indicated table which states:

*"The water demand analysis is considered to be conservative because it assumes that all commercial grows are assumed to be outdoor grows and irrigated for a single grow season. This calculation methodology was used because outdoor cultivation accounts for higher water consumption rates than indoor and mixed light cultivation will result in a more conservative water demand and account for the inexperienced growers that may choose to start with outdoor cultivation."*

No further comment is required.

**Response to Comment Q-103:** The commenter provides a discussion of the requirement for 500 square foot canopy on smaller parcels to be located indoors and provides a water use estimated. The comment noted. The commenter is referred to **Response to Comment Q-102**, above.

**Response to Comment Q-104:** The commenter notes differences in water use management for outdoor versus indoor cultivation and concludes that a single outdoor crop would be similar to indoor and mixed light with a greater number of cycles. The commenter notes that the data in the DEIR; however, is overestimating water use. The commenter is referred to **Response to Comment Q-102**, above.

**Response to Comment Q-105:** The commenter notes that cannabis is not a water-intensive crop and provides some details on indoor cultivation water use. The commenter provides an article entitled, “Cannabis Cultivators Report on Water Usage.” Published in Marijuana Venture on September 23, 2015. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-106:** The commenter provides information on the ancillary buildings and notes that the supporting areas should be sized to correctly support cannabis cultivation. The commenter notes that as proposed, they ancillary buildings are not adequately sized for the various uses they will need to be used for. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-107:** The commenter continues stating the ancillary area is not enough and at a minimum should be 50% of canopy available for drying. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-108:** The commenter summarizes noting additional area is needed. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-109:** The commenter provides a table – Electric Use Supporting Ancillary Building and Immature Plant Area. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-110:** The commenter provides a further detailed breakdown of the additional area required. This comment does not raise an environmental issue within the context of CEQA. The commenter’s information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-111:** The commenter provides a discussion of the ancillary space-BOTEC and includes

- 1) Space for growing plants that are not at the harvestable stage (mother plants, seedlings, etc.).
- 2) Dead space that is intertwined with area to be harvested (e.g., walkways).
- 3) Other areas not directly involved in growing (space used for drying, storing tools, record keeping, bathrooms, etc.).

This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

**Response to Comment Q-112:** The commenter provides a biography and resume. This comment does not raise an environmental issue within the context of CEQA. The commenter's information will be provided to the County decision-makers for their review. This comment is noted, and no further response is required.

February 25, 2019

Nevada County Community Development Agency  
950 Maidu Avenue, Suite 170  
Nevada City, CA 95959

Attention: Brian Foss, Planning Director

E-mail: [planning@co.nevada.ca.us](mailto:planning@co.nevada.ca.us)

**Regarding: Comments on Draft EIR for Proposed Nevada County Commercial Cannabis Cultivation Ordinance Project – Part Three of comments**

Submitted By:

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Grass Valley, Calif. 95949

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E-mail: [gary@plan-aire.com](mailto:gary@plan-aire.com)

Dear Community Development Department:

The following comments are provided in response to Draft EIR public comment request. In order to be most responsive, comments were previously provided for a portion of the Draft EIR on February 5, 2019. An additional submittal describing 12 alternative projects plus the Original Project and 30% Alternative was submitted to the county on February 22, 2019. This document represents the third submittal of comments for the Draft EIR.

Comments included in this document include the following sections of the Draft EIR for the Nevada County Cannabis Ordinance: Section 1.0 Introduction, starting with Page 1-1, Section 1.1 Environment Baseline, Section 1.2 Purpose of this EIR, Section 1.3 Program-Level EIR Analysis, Section 1.4 Scope of Environmental Analysis, Section 1.5 Responsible and Trustee Agencies, Section 1.6 CEQA Public Review Process, Section 1.7 Organization of this Draft EIR, Section 2.0 Executive Summary, Section 3.0 Project Description through Section 3.1.7, Section 4.1 Aesthetics, Light and Glare, and Section 4.2 Agriculture and Forestry Resources and the Project Alternatives Section.

R-1

Comments for Section 4.3 and continuing through Section 4-17, and Section 5.1, 5.2, 5.3, 5.4 and 5.5, Section 6.1 and Section 6.2.1., were previously submitted to the county on February 5, 2019.

Beginning with Section: Thirty Percent Cultivation Alternative, the No Groundwater Cultivation Alternative, Cultivation Allowed in RA Zones Alternative, and the No Permanent Structures in Designated Farmland Alternative, in addition to the comments on Section 6.3 Environmentally Superior Project; Pages 6-16 through 6-39, are also included in this submittal.

As a summary, the total submission of public comments, submitted to Nevada County has included:

Submittal No. 1 Comments on the Draft EIR February 5, 2019, 174 pages

Submittal No. 2 Comments on the Draft EIR February 22, 2019, 92 pages

Appendix to Submittal No. 2 on Draft EIR February 22, 2019, 119 pages

Submittal No. 3 Comments on the Draft EIR February 25, 2019 99 pages

Total Submittals for Public Comment: 484 pages

Alternative 5, which was provided on February 22, 2019, is the environmentally superior project. This alternative is less than 20% of the size of the original project and requires only 7% of the electricity of the Original Project. The Alternative 5 project also keeps cannabis production in line with the estimated market share for Nevada County for adult users in the year 2060.

I am available to review any of these comments with you.

Thank you for the opportunity to provide this first part of the comments for the Draft EIR.

Gary M. Baker

Grass Valley, California

R-1  
cont'd

## Draft EIR Review Comments: Proposed Nevada County Commercial Cannabis Cultivation Ordinance Project, Submittal No. 3

Note: The Page number and text copied from the Draft EIR is in *black text and italicized*. Specific areas of the Draft EIR text are *highlighted in yellow*.

Comments made on the text or the content in the Draft EIR are in **red and not italicized**.

R-2

### 1.1 ENVIRONMENTAL BASELINE

Page 1-2 Accordingly, for the purpose of the proposed project, the County and *this Draft EIR evaluate the impacts of the proposed project against actual conditions that existed at the time CEQA review commenced. The County is not required to go back to a time that predates the illegal activity.* Further, to attempt to go back to a date in which there was no cannabis cultivation to establish a baseline would be impractical, infeasible, and require significant speculation. A CEQA analysis using such a methodology would nullify any associated impact conclusions. *Therefore, the baseline or environmental setting used in the preparation of this Draft EIR, by which the environmental impacts of the proposed project are evaluated, is based on the estimated 3,500 existing cannabis cultivation operations within the County.*

R-3

*The estimated 3,500 existing cannabis grows is based the experience of County staff,...* Therefore, considering *input from and use of these resources evaluation based on 3,500 existing cannabis cultivation operations is appropriate for the CEQA analysis.*

The 3,500 cannabis cultivations have been established with this statement in the environmental baseline. However, in several locations throughout the Draft EIR, analysis in several of the technical sections included analysis for these 3,500 cultivation sites in addition to the Proposed Project.

### 1.2 PURPOSE OF THIS EIR

Page 1-3 Reviewers of a Draft EIR are requested to focus on the sufficiency of the document in identifying and analyzing the possible impacts on the environment and ways in which the significant effects of the proposed project might be avoided or mitigated. *Comments are most helpful when they suggest additional specific alternatives or*

R-4

mitigation measures that would provide better ways to avoid or mitigate significant environmental effects.

R-5  
cont'd

See comments provided on February 22, 2019 related to Alternative projects.

## 1.4 SCOPE OF ENVIRONMENTAL ANALYSIS

Page 1-5 and 1-6

The Draft EIR did not address the amount of cannabis production from the Proposed Project, Alternative Energy Requirements, Ancillary Structures and areas outside the canopy, Total Site Disturbance Area and the impacts of constructing 14,500 housing units which would be required to build out the full project under the 27,207 parcel Alternative.

R-6

## 1.5 RESPONSIBLE AND TRUSTEE AGENCIES

Page 1-6

Under Federal Agencies, the US Forest Service was not mentioned. Many illegal cannabis cultivations occur on Forest Service lands and they should have some input in this EIR. Also the Bureau of Land Management has considerable land holdings in Nevada County.

R-7

Page 1-6 and 1-7

Nevada County Irrigation District is listed twice.

## 2.2 PROJECT OVERVIEW

Page 2-2 Upon any premises located within 1,000 feet of any "Sensitive Site." This setback is measured from the edges of the designated canopy area to the property line of the Sensitive Site.

R-8

The state has established a 600 foot setback from schools.

## 2.5 SUMMARY OF PROJECT ALTERNATIVES

R-9

*Pages 2-6 and 2-7 THIRTY PERCENT COMMERCIAL CANNABIS CULTIVATION  
ALTERNATIVE*

At over 8,000 parcels this project is still to large considering the estimated market share for cannabis produced in Nevada County. The energy needs of this project size are very large and there is no time line discussed as to how long a project of this size would require for build-out.

R-9  
cont'd

*No Groundwater Alternative*

Nevada County does not allow trucked in water for cannabis operations. Under this scenario, either NID water or rain Water capture would be required for cultivation, which would significantly reduce the overall project size. There are strict rules for capturing rainwater. Groundwater issues are local to some areas of the county. A hydrogeologist who had studied the groundwater supply in Nevada and Placer Counties, presented information at the planning commission this month, and stated there was groundwater problem overall in the area.

R-10

*No Permanent Structures in Designated Farmland Alternative*

There is very little prime farmland in Nevada County according to other sections in the EIR. Outdoor cultivation of cannabis would have little long term effect on farmland except for the ancillary structures need to support the commercial cultivation.

R-11

## 2.6 AREAS OF CONTROVERSY

*Page 2-7 Impacts related to water supply, including groundwater supply.*

Groundwater appears to be a localized problem not a countywide issue. See previous comment on groundwater.

R-12

*Page 2-8*

Nevada County Irrigation District is shown twice on the list.

R-13

*Page 2-10*

The National Forest Service and Bureau of Land Management should be included.

R-14

*Page 2-11 Impact 4.1-1, 4.1-3 and 4.1-4*

The project has a much larger disturbed area than identified in the Draft EIR. The canopy area is 2,684 acres, the accessory structures and immature plant area is 2,519 acres, grading outside of the canopy is 536 acres and the area covered by solar panels to

R-15

achieve a40% of the projects electric use from renewable energy is 2,370 acres for a total disturbed area of 8,110 acres. See evaluation of the Original Project, 30% Alternative and 12 other alternative projects in February 22, 2019 submittal of comments for Suggested Alternatives.

R-15  
cont'd

Page 2-11 *Impact 4.1-2*

What tree sizes must be shown on the plan? Does a professional biologist. Forester. Arborist or landscape architect need to be engaged on each site and perform a tree survey? Does a tree survey need to be submitted as part of the site planning process? Does a surveyor need to accurately map the tree locations? Will there be inspections required for the trees?

R-16

Page 2-11 and 2-12 *Impact 4.1-4*

Who is qualified to prepare the proposed Lighting Control Plan? Blackout traps are not allowed for any outdoor cultivation per state regulations.

R-17

Page 4-12 *Impact 4.2-1*

Does a surveyor need to be engaged to map the prime farmland?

R-18

Page 2-12 and 2-13 *Impact 4.2-3 and 4.2-4*

Cannabis cultivation in areas with large amount amounts of trees could be compromised if grown outdoors due the shade from the trees. More tree clearing may be requested to gain additional natural light for the cultivation site.

R-19

Pages 2-13, 2-14 and 2-15 *Impacts 4.3-1, 4.3-2, 4.3-3, 4.3-4, 4.3-5, 4.3-6 and 4.3-7*

Draft EIR underestimated the number of employees required for the project as well as the total disturbed area.

R-20

Pages 2-15, through Page 2-20 *Impact 4.4-1, 4.4-2, 4.4-3, 4.4-4, 4.4-5, 4.5-1,4.5-2, 4.5-3, 4.5-4, 4.5-5 and 4.5-6*

The projects total disturbed area is 8,110 acres and not just the canopy area of 2,684 acres.

R-21

Pages 2-15 and 2-16

**MM BIO-1** Placing the generators in sheds is good for the noise reduction but also increases the ancillary building needs for the project.

**MM BIO-2** The State Water Board and Cal Cannabis already require biological site assessments and cultural resource investigations for each site and these required

R-22

reports could also work for the county. Aerial photographs have been typically supplied by taking snapshots from Google Earth which is of such poor quality at a site specific scale. These aerial photos are worthless for determining biological sensitive areas, and only a trained professional on the ground can adequately identify the general and specialized habitat.

Delineating a streambed can be more accurately accomplished by a land surveyor. Landscape Architect can prepare small grading and access road plans but projects with substantial earthwork, drainage crossings will need to be prepared by a civil engineer. There appears to be a large misconception in the cannabis community that site plans and studies can be performed by the cannabis applicant. This is clearly not the case and more outreach should be provided to applicants, that these are commercial development projects and require a team of licensed professionals to prepare the required plans for the project, just like any other developer would be required.

R-22  
cont'd

Pages 2-20 and 2-21 *Impact 4.6-1, 4.6-2, 4.6-3, 4.6-4, 4.6-5, 4.6-6, 4.6-7 and 4.6-8*

The projects total disturbed area is 8,110 acres and not just the canopy area of 2,684 acres.

R-23

Page 2-20 *Impact 4.6-5*

The projects total disturbed area is 8,110 acres and not just the canopy area of 2,684 acres. Providing protection for each site to prevent erosion will be labor intensive to install and maintain as well as the inspections required for compliance.

R-24

Page 2-22 *Impact 4.8-6*

Should read: *Impact 4.7-6*

R-25

Page 2-23 *Impact 4.7-8*

The number of employees estimated in the Draft EIR was significantly underestimated. The projects total disturbed area is 8,110 acres and not just the canopy area of 2,684 acres.

R-26

Page 2-23 *Impact 4.8-1*

The number of employees estimated in the Draft EIR was significantly underestimated. The projects total disturbed area is 8,110 acres and not just the canopy area of 2,684 acres. The addition of 14,500 new residential housing units to support the 27,207 cultivation sites could impact water quality. Each cultivation site must provide a restroom for employees which would entail expansion of private sewer system and leach fields. This could also affect water quality as a result of additional waste discharges.

R-27

Page 2-23 *Impact 4.8-2*

A hydrogeologist who had studied the groundwater supply in Nevada and Placer Counties, presented information at the planning commission this month, and stated there was groundwater problem overall in the area. Where there have been groundwater concerns typically they are in localized areas. Reducing the project size would reduce the impacts to groundwater.

R-28

Page 2-23 *Impacts 4.8-3 and 4.8-4*

The projects total disturbed area is 8,110 acres and not just the canopy area of 2,684 acres. The addition of 14,500 new residential housing units to support the 27,207 cultivation sites could impact site drainage patterns and there is more of a possibility that water course alterations could occur given the larger site footprint and grading outside of the canopy.

R-29

Page 2-24 *Impacts 4.8-5, 4.8-6, 4.8-8 and 4.8-9*

The projects total disturbed area is 8,110 acres and not just the canopy area of 2,684 acres. The addition of 14,500 new residential housing units to support the 27,207 cultivation sites could impact site drainage patterns and there is more of a possibility that water course alterations could occur given the larger site footprint and grading outside of the canopy.

R-30

The impervious surface areas for the new 14,500 homes, 2,684 acres of cannabis canopy, and 2,500 acres of ancillary structures and 2,370 acres of solar panels could contribute to a flooding situation in some localized areas, depending of the density of commercial cannabis development. Onsite retention could be implemented but these may also increase the overall amount of site disturbance for the project. Overall water quality as a result of the Original Project could be compromised as a result of a project of this size. Spills from nutrients used in cultivation will ever be 100% contained, and potting soils either stored for future use or remaining from previous use have a high potential of entering watercourses. Inspections would only occur annually and each operator is responsible for protecting water quality. Accidents happen all of the time and there is no foolproof plan to prevent these dischargers. While an individual site may be characterized as less than significant, 27,207 commercial cannabis operations could not be judged the same way.

R-31

R-32

Cannabis canopies when not in a structure (outdoor cultivation) could be installed in 100 year floodplains and workers in these operations could be at risk from major flood events. If these facilities did indeed flood, water quality would also be compromised as a result of potting soils and possibly nutrients being washed away is a major storm event. All cannabis operations should be located outside the 100 year floodplain.

R-33

Page 2-25 *Impact 4.9-2*

Revise the Truckee Sphere of Influence to resolve the conflict or revise the county zoning on these parcels consistent with Town of Truckee plans. (It is interesting to note that this is the only land use conflict noted for the entire county)

R-34

Page 2-26 *Impacts 4.11-1, 4.11-2, 4.11-3 and 4.11-4*

The construction of 14,500 homes required to implement the Proposed Project as well as the potential disturbance of 8,110 acres would have a potential to create a great amount of noise, generate ground vibration and raise the permanent ambient noise levels in portions of the county where commercial cannabis would be concentrated.

R-35

Pages 2-27, 2-28, 2-29 and 2-30 *Impacts 4.12-1, 4.13-1, 4.14-1, 4.14-2, 4.15-1, 4.15-2, 4.15-3, 4.15-5, 4.15-6, 4.16-1, 4.16-2, 4.16-3, 4.16-4, 4.16-5, 4.16-6 and 4-16-7*

R-36

The number of housing units required for the employees of the commercial cannabis project outlined in the Draft EIR was vastly understated. In addition to the direct employment on the cultivation sites, estimates show that an additional 2.5 workers are employed for every full time cannabis worker. While the 14,500 housing units required for the project buildout would satisfy a small portion of the house needs for the project and the existing inventory of existing housing may also supply a small number of housing units, substantial new housing would be required to support the Proposed Project. (See revised employment requirements in the Suggested Solutions submitted February 22, 2019)

R-37

Substantial impacts to traffic, air quality, parks and recreation, public services and housing would be expected from a project of this size. The average number of employees required for cultivation and trimming average 3.06 employees per site. This number multiplied by 2.5 for indirect employees brings the number up to 7.65 employees per site. Assuming the 27,207 commercial cultivation sites, the total employment generated from the Proposed Project could total 208,133 people minus the 27,207 living on the cultivations sites and assuming 1 person per household worked in cannabis, **the net impact of employment could be 180,926**. This is almost twice the size of the current population of the county. This many people would significantly impact every public service, utility, roadway, school and existing citizen of Nevada County. **These impacts could not be considered less than significant.**

R-38

Page 2-28 *Impact 4.15-1 and Impact 4.15-2*

Reduce the project size to reduce the traffic impacts to less than significant. See Proposed Alternative 5 submitted on February 22, 2019. Project size has been reduced to 4,250 permits.

R-39

Page 2-30 *Impact 4.16-4*

Nevada County has a great amount of water and NID has stated they have adequate supplies for the project for properties within their service area. Reducing the project will reduce the water demand. Conservation efforts for water used in commercial cannabis operations, is already being discussed at the state level. Water for additional housing required for the 14,500 new homes and the employees could place a significant strain on water resources.

A suggested mitigation and/or monitoring recommendation, would be to require that all water used for cannabis cultivation be measured, and records maintained for total annual water use. This information when compiled for all permitted sites, could be used to more accurately measure the water use for differ types of cultivation activities and comparison between different license holders water use could be examined. Additionally, conservation measures if determined necessary or if required by state legislative action, could be implemented and measured with accuracy.

R-40

Page 2-31 *Impact 4.17-1 and 4.17-2*

Electric use for the project was miscalculated and only included 1 month of electrical energy instead of 12. Electric use per square foot of canopy was underestimated based on similar projects use of power. Reduce project size and recalculate energy needs. See Proposed Alternative 5 submitted on February 22, 2019. Project size has been reduced to 4,250 permits. The Proposed requires 8,456,000 Megawatts of electrical power for the cultivation and ancillary buildings and this figure does not include the energy needs for the 14,500 housing units required to construct a commercial cannabis facility on every parcel.

R-41

Page 2-31 *Impact 4.17-3*

Project never addressed the use of renewable energy. Add solar for at least 40% of the electric needs for the project. See Proposed Alternative 5 submitted on February 22, 2019. Project size has been reduced to 4,250 permits.

R-42

**Cumulative Impacts**

Pages 2-31, 2-32, 2-33 and 2-34

The projects total disturbed area is 8,110 acres and not just the canopy area of 2,684 acres. The addition of 14,500 new residential housing units to support the 27,207 cultivation sites could impact site drainage patterns and there is more of a possibility that water course alterations could occur given the larger site footprint and grading outside of the canopy.

R-43

The impervious surface areas for the new 14,500 homes, 2,684 acres of cannabis canopy, and 2,500 acres of ancillary structures and 2,370 acres of solar panels could contribute to a flooding situation in some localized areas, depending of the density of commercial cannabis development. Onsite retention could be implemented but these may also increase the overall amount of site disturbance for the project. Overall water quality as a result of the Original Project could be compromised as a result of a project of this size. Spills from nutrients used in cultivation will ever be 100% contained, and potting soils either stored for future use or remaining from previous use have a high potential of entering watercourses. Inspections would only occur annually and each operator is responsible for protecting water quality. Accidents happen all of the time and there is no foolproof plan to prevent these dischargers. While an individual site may be characterized as less than significant, 27,207 commercial cannabis operations could not be judged the same way.

R-44

R-45

Cannabis canopies when not in a structure (outdoor cultivation) could be installed in 100 year floodplains and workers in these operations could be at risk from major flood events. If these facilities did indeed flood, water quality would also be compromised as a result of potting soils and possibly nutrients being washed away is a major storm event. All cannabis operations should be located outside the 100 year floodplain.

R-46

The number of housing units required for the employees of the commercial cannabis project outlined in the Draft EIR was vastly understated. In addition to the direct employment on the cultivation sites, estimates show that an additional 2.5 workers are employed for every full time cannabis worker. While the 14,500 housing units required for the project buildout would satisfy a small portion of the house needs for the project and the existing inventory of existing housing may also supply a small number of housing units, substantial new housing would be required to support the Proposed Project. (See revised employment requirements in the Suggested Solutions submitted February 22, 2019)

R-47

Substantial impacts to traffic, air quality, water quality, hydrology, parks and recreation, utilities, energy, public services and housing would be expected from a project of this size. The average number of employees required for cultivation and trimming average 3.06 employees per site. This number multiplied by 2.5 for indirect employees brings the number up to 7.65 employees per site. Assuming the 27,207 commercial cultivation sites, the total employment generated from the Proposed Project could total 208,133 people minus the 27,207 living on the cultivations sites and assuming 1 person per household worked in cannabis, **the net impact of employment could be 180,926**. This is almost twice the size of the current population of the county. This many people would significantly impact every public service, utility, roadway, school and existing citizen of Nevada County. **These impacts could not be considered less than significant.**

R-48

Electric use for the project was miscalculated and only included 1 month of electrical energy instead of 12. Electric use per square foot of canopy was underestimated based on similar projects use of power. Reduce project size and recalculate energy needs. See Proposed Alternative 5 submitted on February 22, 2019. Project size has been reduced to 4,250 permits. The Proposed requires 8,456,000 Megawatts of electrical power for the cultivation and ancillary buildings and this figure does not include the energy needs for the 14,500 housing units required to construct a commercial cannabis facility on every parcel.

R-49

Visual impacts, noise, impacts to biological resources, tribal resources and cultural resources of a project of the size stated in the Original Project could also be significant and cumulative.

R-50

Map following Page 3-6

R-51

Map does not show a label for Kern County

Page 3-10 Public Lands

*Approximately 169,045 acres, or 265 square miles, of land in Nevada County is owned by the Federal Government for the **TNF**, operated by the USFS. The USFS lands are primarily located on near the summit of the Sierra Nevada Mountains and north of Truckee. The **BLM** has approximately 20,000 acres, or 31 square miles, of land in Nevada County.*

R-52

Define: TNF and BLM

The 265 square miles of USFS lands and 31 square miles of BLM and are fairly significant federal land holdings in Nevada County. Both of these agencies should be included on the Draft EIR list for distribution of the document as well as directing soliciting input related to the preparation of the Draft EIR.

Page 3-11 *The zoning districts within the County include: **RA (Residential Agriculture)**, R1 (Single Family), R2 (Medium Density), R3 (High Density), AG (General Agriculture), AE (Agriculture Exclusive), FR (Forest), TPZ (Timberland Production Zone)*

R-53

The RA zone is comprised of 3 separate zones, RA-Residential, RA-Estate and RA-Rural, with only the RA-Rural most resembling the AG zone.

Pages 3-12 and 3-15 *At its core, cannabis is a plant that requires the same basic conditions of most plants, including both light **and medium growth**, water, and nutrients, but varying these base requirements can produce different outcomes.*

R-54

What is medium growth?

*While farmers of more established crops sometimes collect and store water during the rainy season to use during the summer and fall, marijuana growers will often use ground water or divert water straight from streams during the dry season. Diverting and/or pumping water from springs, creeks, and rivers during the summer/dry months reduces stream flows and increases water temperatures. This can reduce already low water levels and threaten the species such as salmon, amphibians, and other animals that rely on these water sources.*

R-55

Very few cannabis cultivators in the county are directly taking water from streams. Most local water courses are dry in the summer months when cannabis is being cultivated so there is no running streams to divert water from. Most, over 80% are using well water for cannabis cultivation and many cultivators are buying irrigation water from the NID. The water diversion is a far bigger problem in Humboldt and Mendocino Counties, not Nevada County. Rainwater collection is used in some instances; however the state requirements for constructing ponds for water retention are not favorable for cannabis cultivators.

*Pollution is another issue that can arise. Forest clearing, land terracing, and road construction can occur adjacent or near to streams and rivers. Erosion from improperly constructed and maintained roads can lead to erosion. Sediment from the roads can be washed away and enter into streams, damaging spawning and fish rearing habitat for species such as coho salmon and steelhead trout. Application of pesticides and herbicides from cultivation areas can be washed downstream and can contaminate water and poison wildlife. Cultivation operations that use generators for electricity and for machinery may use diesels, fuels and other lubricants that can leak and be washed into streams and further stressing fish, reptiles and amphibians, as well as bird and mammal species that depend on waterways.*

R-56

While all of these issues are accurate for some locations in the state, Nevada County has generally been less damaging on the environment than other locations such as the very remote cultivation areas in Humboldt County and locations in Mendocino and Trinity Counties. There is a great deal of ground water in Nevada County and cultivation sites generally are not located in extremely remote areas where electric power is not available.

This broad type of negative overview is not consistent for all operators or regions within the state. The majority of the environmental issues from cannabis cultivation are located on public lands. These huge cartel type operations don't care for the land or the damage their operations cause, which is very different from most local cultivators who care a great deal about the land and the environment.

R-57

Pages 3-15 and 3-16 To maintain specific varieties of cannabis at cultivation sites, the practice of cloning plants is often employed. Cloning involves taking cutting from “mother” plants and growing these cutting to mature flowering plants from which the cannabis flowers are harvested. Cuttings (i.e., targeted trimmings of a plant) are taken and dipped in medium to stimulate root growth. Once roots develop, the clones are placed in small pots to grow to sufficient size for transplanting into larger planting pots or gardens which give them more room to grow to maturity. The mature female plants are maintained in a vegetative non- flowering stage by artificial light for approximately 18 hours per day as a source of the cuttings or what are often referred to as “clones.”

R-58

Should read: taking a cutting

These female mother plants may be kept under artificial light for 18 to 24 hours a day.

Once germination is complete, seedlings are prepared for indoor, outdoor, or mixed-light cultivation. The plants are sorted by sex. Male plants are isolated by varietal as a source of pollination for future seed production and to avoid cross-pollination between separate strains. Only female plants are grown for production of product for medical or adult recreational use.

R-59

Isolating the male plants requires growing out the plants in a 12 hour lighting scheme and carefully monitoring the plants to see if flowers are growing or pistols. These plants should be kept isolated from other mother plants or other plants in the cultivation area to avoid accidental pollination of the cultivation area.

Page 3-16 and 3-17

Outdoor Cultivation: This EIR assumes that cannabis grown outdoors averages two harvests per year. Cultivated areas can either have unobstructed access to sunlight or can be covered with a light-permeable temporary structure such as a traditional hoop house with transparent cover and no electrical components. A traditional hoop house is typically 12 feet in height, with rounded support rods holding the cover materials. The hoop houses are easily moved and may be disassembled and shifted throughout the day. The hoop houses and involves no foundation, lighting, or permanent HVAC improvements.

R-60

The hoop houses cannot have any blackout material covering as specified in the recent update to the state cultivation permits by Cal Cannabis. Cannabis needs a 12 hour dark cycle for flowering, and at the latitude of Nevada County that period does not start until late July or early August. Without the blackout covers to artificially induce flowering, grow cycles are generally going to be limited to one a year and not two as shown in the Draft EIR.

*To generate optimum quantities of cannabinoids, the plant needs fertile soil and long hours of daylight. For outdoor cultivation, growers generally select areas that receive twelve hours or more of sunlight a day.*

R-61

*This is true for the vegetative stage but not the flowering stage.*

*In the northern hemisphere, if seeds are used instead of clone plants, growers typically plant seeds from mid-April through early June to allow for four to nine months of growth (one harvest a year). Harvest is usually between mid-September and early November. Depending on the variety, each plant can reach as much as twelve or more feet in height with a radius of six feet or more.*

*Very few cultivators are growing 12 foot tall plants. With a confined canopy area the plants will be placed much closed together and there will typically be many more plants which are shorter and will be grown in smaller pots. Where the permit requirements specify the number of plants instead of square feet, like the 25 plant Cal Cannabis permit requirement (2,500 square feet canopy in Nevada County) each plant could have 100 square feet of canopy. Nevada County is using a 2,500 square feet canopy and does not show a plant count, so presumably there could be twice the number of plants in the 2,500 square foot area than what is allowed under the state permit. It is unclear how local requirements, when differing with state requirements, will be sorted out when permits are actually applied for in each different jurisdiction.*

R-62

*Based on published information for California, approximately 230,000 gallons of water are required per half acre of outdoor cultivation, or 10.65 gallons per canopy sf per year. However, water demands vary based on local climate conditions, watering methods, and other variables. Based on cannabis permit application data, water demands for outdoor cultivation ranges from 1.23 gallons to 14.71 gallons per canopy sf per year in Humboldt County. Water supply sources used in Nevada County for cannabis cultivation primarily consist of groundwater wells, on-site rainwater collection, surface water diversions, and public water.*

## **Water Use**

R-63

*The water demand source utilized in this EIR was derived from information contained in a document titled Cannabis Water Use Study published in the Humboldt Grower in 2015. The article also pointed out, that the Emerald Growers Association, which has replaced the Humboldt Growers Association, no longer supports these statistics.*

*This water article can be found online and references a proposed ordinance presented by the Humboldt Growers Association which stated that “cannabis used an average of 22.7 liters (about 6 gallons) of water per day”. This 6 gallon number was also copied by the California Department of Fish and Wildlife in 2015 and has been much disputed by*

other organizations such as NORML which cited that the average water consumption is closer to 2.6 gallons per day per plant outdoors.

Water use was extensively studied and provided in the Humboldt Grower article, but only the 6 gallons per day is ever quoted. The study which was conducted over a 5 year period, show a water use of 1.75 gallons per day per pound of cannabis and the yield per plant was between 2 to 2.5 pounds. These were planted in 100 gallon pots and laid out like an orchard with 12 feet spacing between the pots. Total water use averaged 4.375 gallons per plant for the 2.5 pound producing plants and 3.5 gallons a day per plant for the 2 pound producing plants.

R-63  
cont'd

A significant consideration in water use is the number of days in the growing season used for the calculations. Some studies are reporting use for 180 days and others are using 240 days or 60 more days in the season. Most growers are using clones for their plant starts which could be placed outdoors as early as mid-April in Nevada County, however due to concerns from late frost, many growers wait until mid-May to start their outdoor gardens. Assuming even an early start of mid-April, 180 days would be in mid-October, which is the time many growers begin to harvest. The later starting growers may not harvest until mid-November which is still 180 days. The 240 days would be for starting seeds which generally is not performed outdoors or raising clones for 60 days before placing these small plants into large grow pots outdoors. Water use at 6 gallons per day is only accurate for the larger pots which are outdoors. The little clones are in 3" to 4" pots and may require ½ cup of water a day for the first 60 days, not 6 gallons.

R-64

(There is sufficient publicly available information for an analytical evaluation of the water used for cannabis cultivation. Other sources and analysis will follow, later in this section).

The following Table compares the various water use studies per plant in an outdoors cultivation environment and provides some clarification on water use per square foot where applicable. (Also included are the estimates and calculations for pounds produced per gallon of water used. These are estimates and subject to a great deal of interpretation as to the actual amounts yielded per square foot of canopy)

Water use in the Draft EIR is overstated and there is much discussion on this topic in the previous comments submitted on February 5, 2019 and February 22, 2019. Even by using the same 6 gallons a plant for an outdoor cultivation as cited in the Humboldt Grower article in 2015; calculating the water use for 25 plants in a 2,500 square foot canopy for 180 days per year, the water use would equal 27,000 gallons. (The Draft EIR shows 112,969 gallons – because they used 4 grow cycles per year outdoors).

R-65

A 5,000 sf facility would twice as much as a 2,500 sf facility or 54,000 gallons, (The Draft EIR shows 245,938 gallons). The 10,000 sf facility would use 108,000 gallons, (The Draft EIR shows 491,875 gallons), more discussion follows:

## Water Use Table

The following water use table compares the different water use studies reviewed for preparing these comments. Several sources are cited and the gallons per day per plant vary from 2.6 to 6.13 gallons per day. While this is one benchmark for determining water use, all the plants are not the same size and there are additional variables such as the type of cultivation which determines the number of grow cycles per year. Based on information gathered, the water use was converted to gallons per square feet per year to provide a better relationship between the water studies. The total canopy was shown and the water use was divided by the total square feet of canopy. ( The total square included all of the various grow cycles used for each type of growing operation, so the number was not just the square footage of floor space).

| Water Use Comparison for Draft EIR                                        |                                            |                                    |                            |                                           |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------|--------------------------------------------|------------------------------------|----------------------------|-------------------------------------------|-----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| February 23, 2019 Plan-aire.com                                           |                                            |                                    |                            |                                           |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Source:                                                                   | Estimated Gallons per SF Annually Outdoors | Gallons Per Plant Per Day Outdoors | Pounds Per Gallon Outdoors | Total Calculated Water Use Gallons - Year | Square Feet of Canopy | Notes:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Draft EIR See Below for Figures Included in Draft EIR From Page 3-16      | 1.23 to 14.71                              | 6.13                               | 1.44                       |                                           |                       | Use Based on Humboldt County Using 100 sf plants 123 to 1,471 gallons per year At 240 days 0.5 gallons to 6.13 gallons per day Based on 40 Grams per SF - 25 Plants                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Draft EIR From Page 3-16                                                  | 10.65                                      | 4.40                               |                            |                                           |                       | 230,000 gallons per half acre per year 230,000 / 21,780 = 10.65 x 100 sf per plant = 1,065 gallons per plant per year / 240 days = 4.4 gallons Day Humboldt Growers Assoc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Humboldt Growers Assoc.                                                   |                                            | 6.00                               |                            |                                           |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Humboldt Grower                                                           | 5.47                                       | 4.38                               | 2.50                       | 787                                       | 144                   | Humboldt Grower Study No. 1 100 Gallon Pots 144 SF per plant. Yield 2.5 pounds per plant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Humboldt Grower                                                           |                                            | 3.50                               | 2.00                       |                                           |                       | Humboldt Grower Study No. 2 40 Square feet with 6 plants per bed. Yield 2.0 pounds per plant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Comments 2/5/2019 Fish and Wildlife                                       |                                            | 2.60                               |                            |                                           |                       | NORMAL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|                                                                           |                                            | 6.00                               | 3.75                       |                                           |                       | 150 days 900 gallons per plant using 6 gal day same water use as a 3.75 pound plant for 240 days                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Mendocino Policy Council                                                  | 4.80                                       | 4.00                               | 1.00                       | 24,000                                    | 5,000                 | 240 days 50 plants 480 gallons per plant 50' x 100' with 50 plants at 2 pounds per plant Formula 1:1:1 one gallon per day to produce one pound of cured cannabis flowers One-eighth of an acre (50 feet by 100 feet with 50 cannabis plants) would use 24,000 gallons of water per season (about 8 months or 240 days). This would result in producing 50 two-pound plants and using 480 gallons of water. A 2 pound plant divided into 1/8ths would produce 12,800 eighths of an ounce. Each 1/8 requires 1.875 gallons of water (24,000 gallons / 12,800) Use 100 SF Plants - 25 plants 480 x 2 = 960 / 240 = 4 gallons per day per plant |
| Water Use Calculations in Suggested Solutions Submitted February 22, 2019 |                                            |                                    |                            |                                           |                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 4,250 Permits Alternative 5                                               | 6.88                                       | 6.00                               | 1.04                       | 276,210,000                               | 40,170,000            | Project as described in Suggested Solutions submitted Feb. 22, 2019 Higher Outdoor Cultivation Indoor 11.75%, Mixed-light 1 19.04% Mixed-light 2 24.76%, Outdoor 44.44% of Total Annual Canopy                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 27,207 Parcels Original Project                                           | 4.59                                       | 6.00                               | 1.04                       | 1,262,822,400                             | 275,110,667           | Project as described in Draft EIR - Water Use Recalculated 1/3 indoor, 1/3 mixed-light, 1/3 outdoor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 27,207 Parcels Original Project                                           | 20.61                                      |                                    | 1.44                       | 5,669,122,615                             | 275,110,667           | Water Use as Shown in Draft EIR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 8,162 Parcels 30% Project Alternative                                     | 4.59                                       | 6.00                               | 1.04                       | 378,869,400                               | 82,538,167            | 1/3 indoor, 1/3 mixed-light, 1/3 outdoor Project as described in Draft EIR - Water Use Recalculated 1/3 indoor, 1/3 mixed-light, 1/3 outdoor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

The gallons per square foot per year calculations varied between 4.59 and 6.88 gallons per square foot. The lower water use was attributed to the high proportion of 500 sf

R-65  
cont'd

indoor cultivation sites in the Original Project and 30% Alternative Project based on the water use calculations prepared for the Suggested Solutions submitted February 22, 2019. The preferred project, Alternative 5 (In Suggested Solutions) has an annual water use rate of 6.88 gallons per square foot. In contrast, the Draft EIR calculations show 20.61 gallons per square foot per year. More than 4 times the water use than calculated for the Original 27,207 parcels project than calculated in the Suggested Solutions document.

R-65  
cont'd

### Additional Water Comments

Note: All water use calculations assume 100% production on every parcel, 100% of the canopy is utilized and the cultivation site is producing the maximum number of cycles per year.

The California Cannabis Regulations specify that a Specialty Cottage Outdoor license is an outdoor cultivation site with up to 25 mature plants and that a Specialty Cottage Mixed-Light Tier 1 and 2 is a mixed-light cultivation site with 2,500 square feet or less of total canopy. Nevada County has limited outdoor canopy size to 2,500 square feet on parcels of 5 to 10 acres in the AG, AE and FR zones which generally conform to the State license category for 25 plants outdoors. This indicates that a single plant would have a canopy of 100 square feet and that as defined by the State license an outdoor grower would be limited to 25 plants within the 2,500 square foot footprint.

R-66

State law also specifically states that “Outdoor cultivation” means the cultivation of mature cannabis plants without the use of artificial lighting or light deprivation in the canopy area at any point in time (Page 3 of Cal Cannabis Regulations). This means that growers can no longer cover their outdoor plants and force early flowering and generally will be unable to grow more than one crop per year on a given outdoor cultivation site.

With water use projected at 6 gallons per day per plant, (which is still a very disputed amount of water), and a total outdoor grow season of 150 to 180 days, a 2,500 square foot outdoor grow site (5 to 10 Acre Parcel) would use between (25 x 6 x 150 days) 22,500 gallons to (25 x 6 x 180 days) 27,000 gallons per year per site. **The 180 day growing cycle, and 27,000 gallons per year, was utilized in the baseline calculations.** Table 4.16-2 of the EIR shows 112,969 gallons which is more than 4 times the water use as described above utilizing the same source of information to calculate the water consumption. More detail will be provided in the following comments as the number of cycles per year that a cultivator may operate, but for most of the evaluations made in the Draft EIR the assumption was made that 1/3 of parcels would grow outdoor, 1/3 in mixed-light and 1/3 indoors. Except for the 2 to 5 acre parcels which were limited to 500 square feet indoors.

R-67

For cannabis cultivations on sites between 10 and 20 acres a 5,000 square foot canopy outdoors would use 54,000 gallons (27,000 x 2 as shown in the 2,500 sf site above). The water use shown in table 4.16-2 shows 245,938 gallons. Water use on outdoor cannabis sites which are 20 acres or more correspond to a 10,000 canopy and would use 108,000 gallons of water (27,000 x 4 as shown in the 2,500 sf site above) compared to the 491,875 gallons per parcel shown in table 4.16-2.

The parcels which are greater than 2 acres less than 5 acres are not permitted to grow outdoors in any land use category as stated in the draft cannabis ordinance. These parcels are allowed a maximum canopy of 500 square feet and must be located indoors and may not be located inside a residence. These properties would require cannabis to be grown under lights in a permitted structure and could be grown year round. If an equivalent outdoor canopy was applied, 500 square feet would mean 5 plants and at a water use rate of 6 gallons per day for 180 days were applied and 2 grows per year were obtained the water use could be estimated at (5 x 6 gallons x 180 days x 2 grows) or 10,800 gallons per year.

However, indoor cultivation is much better managed than outdoor, the plants are smaller and the pots are smaller, drip irrigation is used and hydroponics is sometimes involved, there is less evaporation, better monitoring of water use and some recycling, which when combined the water use would be less than an equivalent outdoor water use. Considering these factors and also understanding that the outdoor cultivation is using water for 6 months of the year for a single crop and indoor mixed light are producing 3, 3.5 or up to 4 crops per year with three to four month cycles, the water use was estimated to be similar for a 2,500 square outdoor as a 2,500 square foot indoor and mixed light cultivation which equals 27,000 gallons per year using the higher figure described in the previous paragraph. This would reduce the 500 square foot facility to 5,400 gallons per year. Data in the EIR table 4.16- shows water use of 24,594 gallons per year for these parcels.

Water use in mixed-light and indoor cultivations would use less water than an outdoor cultivation for a variety of reasons. The management of mixed-light and indoor cultivation is far more rigorous than outdoor cultivation. Any excess water must be handled and cannot be disposed of by draining these waters to the outside of the cultivation area unless the waste water is treated, as required by the State Water Board regulations. Some may be stored in tanks for offsite disposal and some may be discharged into an onsite septic system, but generally, overwatering which is common outdoors would not occur in enclosed facilities. Some cultivators use hydroponics to cultivate cannabis where all of the water is recycled. Almost every cultivator will use a drip irrigation system that can be adjusted to meet the plant's needs. Evaporation inside of these cultivation spaces will not be like an outdoor cultivation site. Generally the plants are much smaller indoors, and there are far many more plants than outdoors. This leads to tighter spacing

R-67  
cont'd

of the plants and overwatering is one source of problems with attracting unwanted pests and other diseases that accompany overwatering and that could spread to adjacent plants.

Additionally, the power costs of running a well, pumping water to storage tanks and distributing water to the plants with pumps is expensive. For these reasons, a typical 2,500 square foot indoor or mixed-light facility would use less than 1/2 the water per growing cycle than an outdoor facility and probably closer to 1/3 the amount. With three growing cycles per year as the basis, which is used in the calculations provided to determine total project yields, energy use demands and employment requirements for the 27,207 parcels, the water use would be  $(27,000 / 2 \times 3 \text{ grows per year}) = 40,500$  gallons per year using 1/2 the water per cycle as a 2,500 square foot outdoor cultivation. By using 1/3 of the water as an outdoor cultivation the water use would be calculated  $(27,000 / 3 \times 3 \text{ grows per year}) = 27,000$  gallons or exactly the same as the outdoor cultivation for a 2,500 square foot facility. The 27,000 gallons was used for the calculations for indoor and mixed-light operations.

R-67  
cont'd

The water calculations assume 100% of the parcels were to cultivate at the maximum canopy allowed and the outdoor cultivation would have one 150 to 180 season and that the mixed light and indoor cultivation sites would have three complete growing cycles per year. Water use for the immature plant area and processing building is not included in the above calculations and could be calculated at 2,866 gallons for 60 days on a 2,500 square foot canopy (25% of a 10,000 square foot facility using the 6.88 gallons per year water use amount shown in the previous Table). The processing building only contains a bathroom and in some instances a shower for employees, and water use would be considered negligible.

Page 3-17 *Field production/outdoor cultivation of psychoactive cannabis is environmentally similar to growing hemp (non-psychoactive cultivars of cannabis) or other nitrogen-hungry field or row crops. Environmental climate effects include small fossil energy inputs per unit of product, mostly diesel fuel for cultivation, indirect energy use for fertilizer production, and fertilizer N<sub>2</sub>O release (BOTEC, 2013). On average, outdoor cultivation tends to yield approximately 40 grams of marijuana per sf of harvest; however, product yield can be higher because open field cultivation can yield between one and three harvests per year.*

R-68

According to many sources, hemp uses about half the amount of water as cannabis.

Extensive research was conducted on the amount of cannabis, generally measured in grams, which could be yielded per square foot of canopy. The BOTEC Study was one of the documents reviewed and included in the detailed analysis which determined that the indoor cultivation averaged 45.13 grams per square foot and the outdoor cultivation was

averaging 43.78 grams per square foot. The total average was 45.26 grams per square foot and included 181 cultivation sites. These were average yields and were considered to have been grown under ideal conditions by expert growers. (Reference Appendix for Suggested Solutions submitted on February 22, 2019, Section B – Calculating Yield (23 pages of data and calculations)).

R-68  
cont'd

Where this information and analysis falls short, is that an average grower will not achieve these production figures and a portion of the drop will be lost to mold and further losses will be realized after the mandatory product testing.

There will never be 100% production of cannabis. From the gross maximum possible production, before the losses due to pests, diseases and testing are considered, only about 60% of the total gross crop is probably real and the rest was just a hypothetical estimate based on a series of conditions which assumed 100% effectiveness, 100% canopy, 100% perfect conditions and that all growers had a PhD in horticulture. Those are not the real conditions. A realistic number after adjusting for effectiveness, crop loss and product testing brings the net to about 45.4% of the gross. There is a table later in this document which shows those calculations.

As noted above, the significant factor which impacts Gross yield is that even in the ideal circumstance; maybe 25% of the cultivation sites will reach 100% capacity. Another 25% may reach 75% capacity, another 25% might only reach 50% capacity, 12.5% may reach 25% capacity and the last 12.5% either the operation will fail, not plant for season, or have a total crop failure or other loss and will have 0% production. These numbers when combined indicate that about a 59.3% yield (say 60%) for the total project is far more likely, before the losses in product testing and crop losses due to pests or mold which is always common. Adding in the losses from pests and disease and product testing, the Net Total Production is about 45.4% of the maximum gross potential. The following chart illustrates these figures.

R-69

### Chart: Effectiveness of Production

| Effectiveness of Production |                    |            |           | Start with 100% Canopy at Maximum Production |          |             |        |
|-----------------------------|--------------------|------------|-----------|----------------------------------------------|----------|-------------|--------|
| % of Growers                | Growers Efficiency | % of Total |           |                                              |          | 100% Pounds |        |
| 25%                         | 100%               | 25.00%     |           | Adjustment for Effectiveness                 | -40.625% | 59.38%      | 100    |
| 25%                         | 75%                | 18.75%     |           | Actual Net Potential Crop                    |          |             | 59.38  |
| 25%                         | 50%                | 12.50%     |           | Loss Before Trimming                         | -12.50%  | 87.50%      |        |
| 12.5%                       | 25%                | 3.13%      |           | Total Trimmed Pounds                         |          |             | 51.95  |
| 12.5%                       | 0%                 | 0.00%      | Fail      | Adjustment for Lab Testing                   | -12.50%  | 87.50%      |        |
|                             |                    |            |           | Total Net Marketable Pounds                  |          |             | 45.46  |
| 100%                        |                    | 59.38%     | Efficient | Final % Marketable Pounds                    |          |             | 45.46% |

This 45.46% Net Total Production can be reduced further by changing the mix between outdoor cultivation verses mixed-light and indoors, which will be demonstrated in some of the Alternative Project Options later in this study. A few reductions in the grams per square foot for the high CBD stains will also reduce the gross yield even further.

These baseline calculations all assume a 47.8\* gram per square foot yield on average for all types of cultivation which is high number heavily weighed by Indoor cultivation facilities staffed by professional growers, many based in the Netherlands. Some cultivators may achieve these yields, but most will not and the yield will depend on the skills of the cultivator, the strains of cannabis grown and the weather or artificial conditions. (For reference, there are 453.59 grams in 1 pound)

R-69  
cont'd

\* A detailed analysis of the average yield per square foot was included in the Appendix for Suggested Solutions submitted on February 22, 2019, Section B – Calculating Yield.

Page 3-17 **INDOOR CULTIVATION (WAREHOUSES AND GREENHOUSES)** For indoor cultivation in warehouses requiring artificial light, on average four mature plants require the **energy equivalent to approximately 24 refrigerators.**

R-70

How much energy does a refrigerator use?

Indoor cultivation can also achieve multiple harvests per year where growing **marijuana** with electricity divorces the process from the constraints of seasonal growing and typical harvest cycles that rely on sunlight to drive the photosynthesis process.

R-71

Should read: cannabis

According to application data received by Humboldt County, the energy demand for a 5,000 sf indoor cultivation operation is equivalent to the demand for **up to 100 typical American homes (1,084 megawatts per year).**

In 2016 an average housing unit in Nevada County used 8,134 kWh of electricity. (Reference California Energy Commission Electric Consumption by County, <https://ecdms.energy.ca.gov/elecbycounty.aspx> , and Table 1: E-5 County/State Population published by the State of California, Department of Finance).

R-72

Based on this data 100 homes in Nevada County would actually use  $8,134 \times 100 = 813,400$  kWh or 813.4 Megawatt hours of electricity in a year.

On average, indoor cultivation tends to yield approximately **40 grams of marijuana** per sf of harvest. Product yield can be higher because indoor cultivation can yield between four and six harvests per year. Water demand for indoor cultivation varies, depending on whether the grower employs a water capture/reuse system. Based on local data, indoor cultivation uses **approximately 11 gallons per canopy sf per year.**

R-73

The 40 grams is subject to interpretation, see previous write-up on cannabis yield.

Should read: cannabis

The 11 gallons per square foot for annual water use is not supported by other research. See previous write-up on water use.

R-73  
cont'd

Page 3-18 **MIXED-LIGHT CULTIVATION** *Mixed-light cultivation refers to cultivation using a combination of natural and supplemental artificial lighting to allow up to three harvests per year.*

There are two types of mixed-light licenses in the state. There is a Tier 1 category, up to 6 Watts per square foot, and a Tier 2 category, up to 25 Watts per square foot. For the calculations performed in the Suggested Solutions document, (Preferred Alternative 5) submitted February 22, 2019, Tier 1 facilities would average 2.5 grow cycles per year and Tier 2 facilities would operate 3 grow cycles per year. This is due to the use of less lighting per square foot and the general construction differences between a Tier 1 and Tier 2 facility.

R-74

*Light manipulation techniques can increase the number of harvests per year. Artificial light is used to “extend” daylight hours, or to disrupt periods of darkness (typically for approximately two hours in the middle of the night) to foster vegetative development, and shorter hours of exposure by light deprivation in mixed-light operations by covering hoop houses with light-blocking opaque tarps, to promote flowering.*

R-75

The use of hoop houses for flowering plants is not allowed in Nevada County.

#### **GREENHOUSE AND NON-TRADITIONAL IMPROVED HOOP HOUSES**

*Due to the variety of set-ups observed in the field, with some producing two harvests per year and others four harvests per year, this EIR assumes that cannabis grown in these types of facilities averages three to four harvests per year.*

There are two types of mixed-light licenses in the state. There is a Tier 1 category, up to 6 Watts per square foot, and a Tier 2 category, up to 25 Watts per square foot. For the calculations performed in the Suggested Solutions document, (Preferred Alternative 5) submitted February 22, 2019, Tier 1 facilities would average 2.5 grow cycles per year and Tier 2 facilities would operate 3 grow cycles per year. This is due to the use of less lighting per square foot and the general construction differences between a Tier 1 and Tier 2 facility.

R-76

Page 3-19

*As discussed above, the passage of Proposition made available funds to use to clean, restore, and remediate environmental damage caused by the cultivation of cannabis.*

R-77

Should read: Proposition 64

R-77  
cont'd

### 3.1.4 PROJECT OBJECTIVES

*Section 15124(b) of the CEQA Guidelines requires that an EIR include “[a] statement of the objectives sought by the proposed project. A clearly written statement of objectives will help the lead agency develop a reasonable range of alternatives to evaluate in the EIR and will aid the decision makers in preparing findings or a statement of overriding considerations, if necessary. The statement of objectives should include the underlying purpose of the proposed project.” The underlying purpose of the proposed NCCO is to establish a regulatory framework for both the commercial cultivation of cannabis and cultivation of cannabis for personal use within Nevada County. Within that overall goal, the County has defined the following objectives for the proposed project:*

- Provide a mechanism for the regulation of a legal commercial cannabis cultivation industry within the unincorporated county;*
- Reduce the level of nuisance that existing commercial cannabis cultivation represents to adjacent areas of existing growers;*
- Encourage existing cannabis businesses to secure a license to operate in compliance with County and state regulations;*
- Reduce the adverse effects of commercial cannabis cultivation on the environment through implementation of these regulations and permitting process;*
- Adopt an ordinance that defines specific zones within the County in which production of commercial cannabis cultivation will be allowed;*
- Adopt an ordinance that defines, within the specific zones, the total area of commercial cannabis cultivation that will be allowed;*
- Reduce the effects of potential adverse effects of commercial cannabis cultivation on sensitive receptors by ensuring compatibility with existing surrounding land uses;*
- To align cannabis regulations with regulations applicable to other commercial activities.*

R-78

Where is the write-up in the Draft EIR which shows that each of these project objects have been met by the Proposed Project, or which objectives have not been met?

Page 3-21

*Mixed-Light – “mixed-light” means the cultivation of mature or immature cannabis plants*

R-79

*in an accessory structure permitted in compliance with local building codes and permitted specifically for cannabis cultivation using light deprivation and/or one of the artificial lighting models described below:*

*Mixed-Light Tier 1: The use of artificial light at a rate of six watts per sf or less;*

*Mixed-Light Tier 2: The use of artificial light at a rate above 6 watts and up to 20 watts per sf. Mixed-light cultivation must take place in an accessory structure permitted in compliance with local building codes and permitted specifically for cannabis cultivation.*

R-79  
cont'd

*The Mixed-light Tier 1 cultivation sites must also take place in an accessory structure permitted in compliance with local building codes and permitted specifically for cannabis cultivation.*

*Under the proposed project, there would be a three-tier system for 1) personal use; 2) commercial use; and 3) non-remuneration cultivation use.*

R-80

*Is there a separate section in the Draft EIR discussing non-remuneration use?*

Page 3-22

*Commercial cannabis cultivation would be prohibited in the following zone districts:*

- *R1, R2, and, R3 (High Density);*
- *RA (Residential Designation) zones; and*
- *TPZ (Timber Production Zone).*

*Commercial cannabis cultivation would be allowed in the following zone districts:*

- *AG (General Agriculture);*
- *AE (Agriculture Exclusive); and*
- *FR (Forest) zones.*

R-81

*The RA-Rural zone (Not the RA-Residential or RA-Estate) is considered for inclusion the as an area allowed for commercial cannabis cultivation as a Project Alternative.*

*Upon any Premises located within 1,000 feet of any "Sensitive Site." (as described on page 3-37) This setback is measured from the edges of the designated Canopy Area to the property line of the Sensitive Site.*

R-82

*The state shows a 600 foot setback from schools.*

Page 3-24

R-83

*RA (Residential Agricultural). Within the Rural General Plan land use designations, agricultural operations and natural resource related uses and residential uses are of equal importance.*

*As noted, in the RA-Rural zone agricultural operations and natural resource related uses and residential uses are of equal importance. This is the only designation in the RA District that is similar to AG (General Agriculture).*

R-83  
cont'd

Page 3-25

*• All electrical, mechanical, and plumbing used for indoor or mixed-light cultivation of cannabis shall be installed with valid electrical, mechanical, and plumbing permits issued and inspected by the Nevada County Building Department, which building permits shall only be issued to the legal owner of the premises or their authorized agency. The collective draw from all electrical appliances on the premises shall not exceed the maximum rating of the approved electrical panel for the parcel.*

R-84

*Should read: authorized agents*

Page 3-29

*• The use of Hazardous Materials shall be prohibited in the cultivation of cannabis except for limited quantities of Hazardous Materials that are below State of California threshold levels of 55 gallons of liquid, 500 pounds of solid, or 200 cubic feet of compressed gas.*

R-85

*Does the 200 cubic feet apply to propane tanks?*

*As shown above, the proposed NCCO provides for both commercial cultivation of cannabis as well as cultivation for personal use. All individuals desiring to cultivate cannabis for personal use must first register as Registered Cultivator with the Enforcing Officer and obtain proof of registration. This proof of registration must be produced immediately upon request by an Enforcing Officer. Failure to register before cultivating will be considered a violation of this Ordinance.*

R-86

*The registration requirement has been deleted by the county.*

Page 3-31 and Page 3-32

*• Cannabis support areas for cannabis storage, processing, immature plants, and/or packaging are limited to a maximum area of 25% of the overall canopy area. The support area boundary shall be clearly identified on any plans that are submitted and on the Premises. All cannabis support areas shall be within a permitted Accessory Structure*

R-87

and meet all Nevada County Land Use and Development Code requirements as well as meet all Indoor requirements.

The 25% limit is not adequate space for the cannabis support area. See comments in February 5, 2019 and February 22, 2019 previously provided on this topic.

R-87  
cont'd

### ACCESSORY STRUCTURES

• Agricultural structures constructed in compliance with the Nevada County Land Use and Development Code may be used for commercial cannabis cultivation that obtain Any structure used for indoor cultivation of cannabis shall have a complete roof enclosure supported by connecting walls extending from the ground to the roof, and a foundation, slab, or equivalent base to which the floor is securely attached. The structure must be secure against unauthorized entry, accessible only through one or more lockable doors, and constructed of solid materials that cannot easily be broken through, such as 2" x 4" or thicker studs overlain with 3/8" or thicker plywood. Polycarbonate panels, or equivalent materials. Exterior walls must be constructed with non-transparent material. Plastic sheeting, regardless of gauge, or similar products do not satisfy these requirements. Indoor or Indoors, for purposes of commercial cannabis cultivation means within a space which is not habitable by humans.

R-88

Should Read: or thicker plywood, Polycarbonate panels, or

### ASSUMPTIONS ON AREA OF COMMERCIAL CANNABIS OPERATIONS

For purposes of this EIR, it was assumed that all parcels that met the minimum requirements (as described above) for commercial cannabis cultivation would be utilized as commercial cannabis sites. After excluding parcels that do not meet the required zoning classifications, minimum size requirements, and excluding government lands, there are a total of 27,207 parcels spread throughout the unincorporated area throughout the County. If each of these parcels were to cultivate the maximum amount of canopy area that would be permitted would equate to approximately 2,684 acres. As such, this assumption represents a worst-case scenario for purposes of analyzing environmental impacts.

R-89

The 27,207 parcels is an unrealistic number of commercial cannabis permits as a project baseline. A more appropriate number would have been to use existing parcels with residences, as the proposed project would require the construction of over 14,500 residents to build out. The Draft EIR does not examine the environmental impacts of these 14,500 new residences and as a result the full impacts of the project are not addressed in the Draft EIR either for the project or as cumulative impacts.

The 2,684 acres of canopy has not included the development outside of the canopy for accessory structures, immature plants, site grading or the addition of solar panels to

R-90

achieve a 40% renewable energy source as required in state law. The total project has a disturbed area of about 8,110 acres.

R-90  
cont'd

*This assumption represents a conservative analysis in that it is unlikely that every eligible parcel **would be build out** and used for cannabis cultivation.*

R-91

Should read: built out

Clearly not all parcels could be developed for commercial cannabis. But what is unclear, is why such a size of project was considered for the project baseline when total buildout of this project size could never occur.

R-92

Page 3-33

**Table 3-3: Required Permits for Commercial Cannabis Cultivation Cannabis Cultivation Permit**

*A CCP would be required for commercial cultivation activities for all canopy sizes less than 2,500 sf. An ADP would apply to all indoor, mixed-light, or outdoor cultivation. An ADP would only be issued to the legal owner of the parcel of premises.*

R-93

**Administrative Development Permit**

*An ADP would be required for commercial cultivation activities for all canopy sizes to between 2,500 sf to a maximum of 10,000 sf. An ADP would apply to all indoor, **mixedlight**, or outdoor cultivation. **An ADP would only be issued to the legal owner of the parcel of premises.***

Should read: mixed-light

R-94

Both CCP and ADP permits would be issued to the legal owner of the parcel or premises.

*Table 3-3: Required Permits for Commercial Cannabis Cultivation, Permitting to engage in commercial cannabis activities or **nonremunerative** cannabis cultivation in Nevada County is **a two-prong process: both a Land Use Permit and an ACP must be obtained.** Land Use Permits would be issued only to the legal owner of the parcel or premises.*

R-95

Should read: non-remunerative

This two pronged process language is not clear in the document. Projects must receive either CCP or ADP from county planning and the ACP is the annual renewal of either a CCP or ACP.

R-96

Pages 3-33, 3-34, 3-35, 3-36 and 3-37

*CCP, ADP, ACP and Non-remunerative Requirements*

R-97

All types of applications require sites plans, grading plans (more than 50 cubic yards), biological site assessment and cultural and tribal resources assessments. None of these are shown as application requirements for CCP's ADP's or non-remunerative permit requirements. Site drainage, stream crossing designs, soils reports and other typical documents required for site development may also be required in addition to energy calculations and building plans for all structures.

R-97  
cont'd

Page 3-38

### **SENSITIVE SITES**

*Cultivation will not be allowed within 1,000 feet of sensitive sites. Current State law requires a setback from schools, daycare centers, and youth centers. Accordingly, the proposed NCCO defines a sensitive site to include a school, church, park, child or day care center, or youth-oriented facility*

R-98

The state has set a 600 foot setback requirement for schools.

Page 3-39

• *All Canopy Areas must be adequately secured to prevent unauthorized entry and entry by children and include a locking gate that shall remain locked at all times when a Designated Responsible Party is not present within the Cultivation area. The Cultivation site shall also be developed so it is not visible from a public right of way.*

Cultivation in mixed-light or indoor facilities could be much taller than the plants contained within the structure and a portion of these facilities may be visible from public roads. Constructing 12' high fences to conceal these structures is not practical, and fences taller than 8 feet are not allowed under existing county ordinance. Screen planting to hide these facilities would require many years of growth and is not a solution for many applications. The lighting glare has been covered in other sections of the Draft EIR and the requirement set forth herein should be readdressed.

R-99

Page 3-39

*"The primary purpose of site development resource standards is to avoid the impact of development projects on sensitive environmental resources and natural site constraints. Where avoidance is not possible, development should minimize impacts in a reasonable fashion that strikes a balance between allowing development of the project site and protecting the resource or avoiding the constraint.*

R-100

Some plants and animal species will require protection and complete avoidance from development.

Page 3-40

R-101

Where required any of the listed resource areas are potentially affected, project applications shall provide for the professional site-specific inventory and analysis of the resources and constraints identified in this Section. The inventory and analysis may be exempted at the discretion of the Planning Director if it is determined the project would create little or no land disturbance or there is virtually no possibility of impacts to sensitive environmental features or natural constraints.

Both the State Water Board and Cal Cannabis, the state permitting licensing agency for cannabis permits, both require the preparation of biological and cultural resource reports as part of their approval process for permits. There is no exemption at the state level and providing language that these documents may not be required is misleading for applicants for commercial cannabis licenses.

R-101  
cont'd

Page 3-42

### MANAGEMENT PLANS

The Nevada County Land Use and Development Code (LUDC) provides a process for mitigating and reducing impacts to environmental resources within the County using Management Plans. A Management Plan is a tool that can be used to minimize the impacts of development on environmentally sensitive environmental resources and/or constraints. Management Plans would be used where avoidance is not a feasible per LUDC Section L-II 4.3.2 Applicability, Management Plans would only be required for encroachments to certain resources. These management plans would apply to both CCP and ADP permit applications. These sections of code that define these parameters include the following:

- Section 4.3.10 Floodplains;
- Section 4.3.11.C.3 Significant Mineral Areas;
- Section 4.3.13 Steep Slopes and Erosion Potential;
- Section 4.3.17 Watercourses, Wetlands and Riparian Areas; and
- Section 4.3.18 Wildland Fire Hazard. (Ord. 2090, 7/9/02)

R-102

The State Water board has special requiremnts for any slopes over 30% and does not allow cannabis cultivation on properties with over 50% slopes.

The watercourse setbacks are defined by the State Water Board and the minimum allowed is 50'. In watercourses which flow year-round a 150' setback has been established. A project could be closer to the 150' but this requires a higher tier of threat

and additional plans and fees are involved in the encroachment. Local policy of setbacks and slopes does not prevail over the State Water Board requirements.

R-102  
cont'd

*Future commercial cannabis projects, depending on the nature of the environmental resources on-site and in the vicinity, may utilize a Management Plan to reduce or minimize impacts to those resources. A management plan would require approval by the Planning Director or their designee. If the Management Plan is not exempt from CEQA, an Initial Study would be required, and a public hearing would be held before the Zoning Administrator.*

R-103

All projects submitted for commercial cannabis cultivation require full CEQA compliance. The Program EIR was only the first tier of the environmental documentation and each project must conform to CEQA requirements and obtain a final EIR for each project submitted. The Program level requirements are for essentially zoning level documentation and are not site specific for each cultivation site.

Page 3-43

*It should be noted that management plans would not be required for every project or each environmental resource potentially affected. The management plans would be developed on a project by project basis and would follow a standard and consistent format to ensure uniformity and ease of understanding for all parties involved. The management plans are considered reasonable measures to account for resource areas that due to their specific nature and scale and scope of the proposed project, cannot be fully accounted for at this Program level of environmental analysis.*

R-104

While management plans may not be required for every project, an environmental review and subject documentation is required by CEQA. The program level EIR is not intended to be used as the final EIR for each individual project.

Page 3-43 Future Entitlements

*Cannabis cultivation for commercial or non-remuneration up to 2, 500 sf would require processing of a CCP, and cultivation for commercial or non-remuneration between 2,500 to a maximum of 10,000 sf would require processing of an ADP and considered for approval by the Planning Director, subsequent environmental analysis on a project-specific basis may be required for consideration. Based on the information provided in project specific applications, the Planning Director would determine if potential impacts are fully covered in the context of this Program EIR. If the Planning Director determines that pursuant to State CEQA Guidelines Section 15162, that now new effects could occur, or no new mitigation measures would be required, then agency can approve the project as being with the scope of the project covered by the program EIR, and no new environmental document would be required. Conversely, if a future project would have*

R-105

*impacts that were not identified in the program EIR, a new initial study would be required to determine the appropriate environmental document to be prepared. This process also would, as necessary, require approval from responsible or trustee agencies under the CEQA process after determining if subsequent environmental review is needed. The specific responsible agencies may vary, depending upon the specific nature of future proposed activities, their locations, and the resources that may be impacted by proposed cultivation. A preliminary list of potentially responsible and trustee agencies, that would oversee future commercial cannabis activities at a project-level, is provided below.*

R-105  
cont'd

State CEQA Guidelines Section 15162, that **now** new Should read: that no new

All projects submitted for commercial cannabis cultivation require full CEQA compliance. The Program EIR was only the first tier of the environmental documentation and each project must conform to CEQA requirements and obtain a final EIR for each project submitted. The Program level requirements are for essentially zoning level documentation and are not site specific for each cultivation site.

R-106

There is no provision in CEQA which allows the Planning Director to bypass CEQA requirements. Again this Draft EIR is only a Program Level EIR not a Project EIR and each project must have a final environmental determination according to CEQA. That could entail a Negative Declaration, and Mitigated Negative Declaration or a project may be required to prepare a full EIR, all of which are dependent on the initial study performed by the county. There clearly is no way of bypassing the final EIR requirements for projects as defined by CEQA. (See complete CEQA discussion in the Suggested Solutions document submitted on February 22, 2019 to Nevada County)

R-107

Example: For instance, a local discount store wants to develop a 2 acre site. The General Plan EIR, which was a program EIR, evaluated land use and developed goals, policies and implementation measures for that land use. However, when actual project wanted to develop a specific parcel, even if the proposed project was allowed in that land use, a project specific environment document is required for the local discount store. A Program level environment document could be adequate if the specifics on each the sites were originally addressed in the document. Broader level EIR's like a Program level documents essentially is designed to "kick the can down the road" for a subsequent environmental review process for each specific project.

R-108

Page 3-34

Nevada Irrigation District is shown twice on the list

R-109

Page 4.1-20

R-110

Cultivation for personal use would be limited to a total of six plants and would **require registration** with the enforcing officer through an administrative action.

R-110  
cont'd

The registration requirement has been deleted in the county.

Although not all cultivation activities would result in construction, some new structures to facilitate new and continuing cultivation would be built and would likely include but not be **limited to hoop houses**, water storage tanks, ponds or other storage reservoirs, and other cannabis related appurtenance buildings including sheds and

R-111

Hoop houses are not allowed for flowering plants.

Cannabis cultivation under a CCP could have a maximum cannabis canopy of 2,500 sf and maximum accessory structure **square foot of 625 feet**.

R-112

The 625 square feet is not adequate for areas outside the canopy. See previous comments.

Page 4.1-21

As required in the NCCO, all cannabis canopy **would be required to not be visible from off-site areas**. Additionally, the NCCO requires each CCP applicant to submit a site plan that provides a detailed description of activities, location of canopy area, setbacks, descriptions of existing and proposed structures, as well as other relevant site planning details required by the ordinance. Project site plans would contain site elevations and proposed structure and slope heights (if applicable). As part of this review process, staff would confirm, based on existing topography, if any proposed ancillary structures, slopes, etc. would have the potential to degrade a scenic vista. If a scenic vista would be affected, changes to the site plans would be required. Implementation of this site plan review process would reduce potential impacts are less than significant.

R-113

Greenhouses or buildings where commercial cannabis is cultivated may be visible from adjacent roadway and adjacent properties. The fence height of 8' maximum and the planting of landscaping material to hide these facilities may not be enough to adequately screen these facilities from view. See previous comments.

Cannabis cultivation under an ADP could result in a canopy area of up to 10,000 sf and construction of **accessory structures up to 2,500 sf**.

R-114

Again, the 2,500 square feet or 25% area is not sufficient for supporting facilities or immature plants outside the canopy area. This number should be up to 100% of the licensed canopy area.

Page 4.1-22

R-115

*In addition, cultivation areas are required to maintain a 100-foot setback from the property line, and the NCCO requires that fencing block views of the cultivation area such that it would not be visible from off-site areas. I*

*The view blocking fencing was discussed by the Board of Supervisors in May of 2018 and many thought that the fencing was less attractive than the cannabis cultivation. Also there is an 8' height limit on fences are greenhouses may be 12' or higher and the fence would not block the view.*

R-115  
cont'd

Page 4.1-23

*Cannabis cultivation under a CCP could have a maximum cannabis canopy of 2,500 sf and maximum accessory structure square foot of 625 feet.*

*The 625 square feet is not adequate. This should be up to 100% of the permitted canopy size.*

R-116

*For all trees retained during and after construction, a Tree Protection Plan would be required to be prepared by a qualified professional. The Tree Protection Plan would be required to include:*

- pre-construction and post-construction protection measures defining tree protection zones; water needs, monitoring, and maintenance to ensure long-term care; and*
- specification of a work efforts (pruning, bracing systems, mulch, pest management, irrigation, fencing installation) and construction plans;*

R-117

*Does this requirement extend to the entire parcel or just the trees located within a specific distance from the canopy or accessory structure / immature plant areas?*

*What would be the distance where this requirement applies?*

*All cannabis projects would be mapped to show their relationship within the landscape and position relative to the highways and byways. This information would be reviewed during the planning and review process for projects under both CCPs and ADPs. This would ensure that the projects would not conflict with views of or toward the highways and scenic byways. It should be noted, that as part of the project visual screening elements such as intervening vegetation and fencing is required to ensure cultivation areas are not visible from public rights-of-way, which would include the scenic highways.*

R-118

*Does this require a professional surveyor be engaged to accurately map the tree locations? A homeowner with a tape measure would not provide for accurate locations in many instances.*

**MM AES-1 Protected Tree Avoidance.** Amend the NCCO to require all commercial cannabis applications to show on project site plans any landmark trees, landmark groves, and heritage trees and groves that exist on the project site. If such trees exist, the applicant shall indicate that the proposed cultivation sites and any proposed ancillary structures would not require removal of any of the listed trees and that all cannabis cultivation and accessory structures are outside the existing drip line of all trees. If any cultivation or accessory structure would require removal or encroach in the drip line of any trees and the project plans shall be revised to avoid the trees. If any trees or groves are dead, dying, or a public safety hazard as determined by a qualified professional, no further action is required.

R-119

Tree surveys are documents prepared by knowledgeable professionals that can assess the types, sizes and health of trees. Surveyors can locate the trees. Homeowners, unless they are trained professionals cannot prepare their own tree surveys and requirements for completing these surveys are published by counties who require specific documentation on trees and generally oak trees are the main focus. Biologists, Landscape Architects and Foresters are all capable of preparing tree surveys.

Page 4.1-26

As discussed above, viewers from all residential areas **may utilizes** local roadways that are near existing or future cannabis cultivation that would be permitted under the proposed project.

R-120

Should read: may utilize

Cannabis cultivation for personal use could only occur on a property with a legally permitted primary residence in R-1, R-2, R-3, R-A, AG, AE, FR, and TPZ zones, would be limited to a total of six plants, **would require registration** with the enforcing officer through an administrative action.

R-121

Registration requirement has been deleted.

### **CONSTRUCTION**

During construction, equipment including haul trucks and excavators, materials stockpiles, partially constructed buildings, and environmental protection measures, including runoff/erosion control measures (such as straw bales and sandbags, and hydroseeded and straw mulched areas), may be visible from off-site location. Depending on the elevations of sites, some areas may be visible from greater distances. The greater the number of total permits **that are issues**, the greater the likelihood the subsequent construction would result in a greater and more frequent visual changes experienced by viewers.

R-122

Should read: that are issued

Page 4.1-27

*As part of the project, cultivation areas must be set-back from adjacent properties at least 100 feet and fencing such that it would block the cultivation area(s) from view are required.*

R-123

See previous comments on fencing.

Page 4.1-28

*To meet these requirements, areas under cultivation could be screened from view by materials such as intervening (non-cannabis) vegetation, structures, or fencing.*

R-124

See previous comments on fencing and vegetation to screen commercial cannabis operations.

Page 4.1-29

**MM AES-2 Lighting Control Plan.** *Amend the NCCO to require commercial cannabis cultivation applicants with exterior light fixtures (including mixed light applications) to submit a light control plan that would demonstrate how light used for cultivation purposes would be controlled. Light control measures may include but not be limited to means such as using blackout tarps to completely cover all greenhouses and hoop-houses, or restricting the use of lighting between sunset and sunrise.*

R-125

Use of electric power is not allowed in the hoop-houses.

Page 4.2-9

*The Williamson Act program is administered by the DOC, with individual contract arrangements administered by local governments. Counties may choose whether to adopt and implement the program, and participation of landowners is voluntary.*

R-126

Define DOC

*To permit and encourage compatible uses, local governments may identify compatible uses permitted with a use permit (CDOC, 2017c).*

R-127

Define CDOC

Page 4.2-11

*The zoning code defines an agricultural product to include fresh fruits, vegetables, nuts, herbs, flowers, honey, poultry, fish, animal & animal products, hay and Christmas trees, but does not include plant nursery stock, live animals, cannabis or cannabis products, wine or wine products.*

R-128

The state requires commercial cannabis applicants for state licenses to certify that they are agricultural employees. If cannabis is not agriculture how do applicants in Nevada County certify that they are agricultural employees to meet the state's requirement to obtain a license?

R-128  
cont'd

Page 4.2-14

*Because the scope of the proposed project does not include project-specific construction, modification, or replacement of cannabis cultivation facilities, construction-related impacts associated with converting agricultural land to nonagricultural uses, or forest land and timberland to non-forest uses, they are considered as part of the cumulative impact analysis and would be further evaluated on at a project specific level, at the time of a County-issued permit.*

R-129

This note is applicable to all proposed commercial cultivation projects proposed in the county under the NCCO, and is not just limited to the agricultural land resources section of the Draft EIR.

Page 4.2-15

*It should be noted that the proposed project would not allow cultivation within 1,000 feet of sensitive uses, as defined in Section 3: Project Description.*

R-130

The state has defined a 600 foot setback from schools.

Page 4.2-16

However, the proposed NCCO does not identify cannabis as an agricultural project and would supersede the state code. Under the proposed project, "Cannabis" shall have the same meaning as that set forth in Health and Safety Code Section 11018, as may be amended. The proposed NCCO states that as defined in this Article [cannabis] shall not be considered an agricultural activity, operation or facility under Civil Code Section 3482.5 or an Agricultural Product as defined in Section L-II 4.3 of the Nevada County Land Use and Development Code, or an Agricultural Operation as defined in Sections L-II 4.3 of the Nevada County Land Use and Development Code, and does not include hemp, hemp products, or hemp byproducts.

R-131

The state requires commercial cannabis applicants for state licenses to certify that they are agricultural employees. If cannabis is not agriculture how do applicants in Nevada County certify that they are agricultural employees to meet the state's requirement to obtain a license?

*Cannabis cultivation under a CCP could have a maximum cannabis canopy of 2,500 sf and maximum accessory structure square foot of 625 feet.*

R-132

The 625 square feet or 25% is not adequate. See previous comments.

R-132  
cont'd

Nonetheless, if construction of permanent structures is allowed, some cultivation activities under **CCPs** could result in a conversion.

R-133

Should read: CCP's or ADP's

It is possible; however, that accessory structures proposed for projects under a **CCP**, could result in the creation of hardscape or a solid foundation resulting in a conversion of farmland.

R-134

Should read: CCP or ADP

To reduce the impacts, Mitigation Measure AG-1 would amended the proposed NCCO to include a requirement for project applicants **under CCPs** to account for any Prime

R-135

Should read: CCP's or ADP's

Page 4.2-17

For example, if an entire parcel is mapped on designated farmland and a permanent structure is proposed, an additional loss of 2,500 sf could occur (accessory structure of **25% of 10,000sf** is 2,500 sf).

R-136

25% of canopy is not adequate.

Page 4.2-18

Additionally, most greenhouse and hoop-houses used for cannabis do not incorporate the **use or large** building pads. Most of these uses occur over the existing soils or incorporate permeable ground covers.

R-137

Should read: use of large building pads

As discussed above, the proposed project includes a mitigation measure and would, when appropriate, require a management plan to reduce impacts to important agricultural lands for **certain projects under an ADP. While impacts associated with CCPs would be reduced to less than significant**, a significant impact from potential conversions under an ADP would remain. No additional mitigation measures have been identified that would reduce potential impacts to less than significant.

R-138

This is a confusing statement. Both CCP and ADP require the same information from the applicant the difference being that the final level of approval is different between the two types of proceses. The CEQA requirements are the same for either a CCP or an ADP as they both require additional site specific environmental documentation above what is included in the Program EIR for the NCCO Project.

*Act. No other provisions in the Williamson Act prohibit the growth of cannabis on land enrolled in the Williamson Act. Therefore, the proposed project would not conflict with existing zoning for agricultural uses, nor conflict with a Williamson Act contract based on the State regulations. However, the implementation of Williamson Act contracts in Nevada County is administered by the Board of Supervisors. As the NCCO does not recognize commercial cannabis as an agricultural product, future commercial cannabis operations pursuant to the NCCO would not be eligible for Williamson Act contracts. Potential impacts are considered less than significant and no mitigation is required.*

R-138  
cont'd

**A landowner has the right to withdraw from a Williamson contract.**

Page 4.2-22

*It should be noted that the proposed project would not allow cultivation within 1,000 feet of sensitive uses, as defined in Section 3: Project Description*

R-139

**The state has established a 600 foot setback from schools.**

*Cannabis cultivation for commercial or non-remuneration, would require processing of a CCP for cannabis cultivation projects less than 2,500 sf and maximum accessory structure sf of 625 feet.*

R-140

**625 square feet or 25% is not an adequate area. See previous comments.**

Page 4.2-23

*Under an ADP cannabis cultivation between 2,500 sf to 10,000 sf of canopy would be allowed. An accessory structure up to 25% of total canopy also could be constructed.*

R-141

**25% is not an adequate area. See previous comments.**

Page 4.2-24

*Unique Farmland, and Farmland of Statewide Importance to non-agricultural use. Converting agricultural land to nonagricultural land could result in new development in the vicinity of a future cannabis cultivation and thus direct conversion could lead to new development in the area and further loss of agricultural lands.*

R-142

**This would be considered a growth inducing impact under CEQA and should be addressed in the Draft EIR.**

Page 4.2-25

*The proposed project could result in new development in the vicinity of future cannabis cultivation operations (including facilities not related to cannabis cultivation), leading to further loss of agricultural/forest lands. This EIR does not include approvals for site*

R-143

*development activities and any site specific impacts must be determined by the local authority reviewing the action.*

R-143  
cont'd

This would be considered a growth inducing impact under CEQA and should be addressed in the Draft EIR.

This EIR does not include approvals for site development activities. This is an important statement. There is a very large misconception that once the Draft Program EIR is adopted then there is an EIR approved for the "project" and subsequent environmental work is not required. This is not true, and the cannabis community is not well informed about CEQA requirements. Every commercial cannabis project is considered a separate project under CEQA. So there are 27,207 separate projects being contemplated under the Program EIR, not one EIR for 27,207 different projects.

R-144

In order to be most responsive, comments on the following Sections for the Draft EIR starting with Section 4.3 and continuing through Section 4-17 and Section 5.1, 5.2, 5.3, 5.4 and 5.5, Section 6.1 and Section 6.2.1 were provided on February 5, 2019.

R-145

## Section 6.2.2 Alternatives Analyzed in this EIR

Page 6-9

Medical *marijuana* cultivation may be undertaken by:

B. Indoor medical *marijuana* cultivation must occur in a permitted residence and conform to all applicable Land Use Development Codes and cannot occur in a kitchen, bathroom, bedroom, common area, or other location intended for human occupancy.

R-146

C. Medical *marijuana* cultivation will be limited as follows:

Should read: cannabis

Page 6-10

On parcels greater than 2 acres up to 5 acres, up to *6 plants* outdoor only limited to a single 300 sf area;

R-147

Should read: 6 plants

All cultivation would also be required to be shielded from public view; shall not adversely affect public health or be a nuisance to neighboring properties; comply with all building, electrical, and plumbing permit requirements; *not exceed electricity usage of 1,200*

R-148

*[(watts)]; conform to noise standards; obtain written permission from the legal owner; and conform to all accessory structure requirements.*

*H. This Alternative also includes certain conditions, application requirements, and standards needed to obtain a permit from the Community Development Agency Director.*

*not exceed 1,200 Watts? Are those 1,200 Watt light bulbs, 1,200 Watts for the entire facility, 1,200 Watts per hour or the total number of bulbs equal 1,200 Watts? Be more specific as what the 1,200 Watts refers to.*

*There are no application requirements or submittal s / permits required for per personal cultivation.*

Page 6-11

*While some cultivation would be allowed in TPZ zones, because the overall number of cannabis plants allowed to be grown outdoors is limited, the visible canopies and cultivation areas would be reduced while the same 100-foot setbacks would still be in place. Although this alternative would only require 600-foot distances from sensitive sites, this is not expected to result in impacts substantially different from the proposed project, which would require 1,000 feet from sensitive sites.*

*State law allows for the cultivation of up to 6 plants for personal use and does not have setback requirements for personal cultivation. Outdoor grown plants have a setback and can only be grown on certain parcels depending on the zoning classification. The state has a 600 foot setback for schools.*

*Similarly, under this alternative, there would be smaller cultivation areas, and permitting would only occur for medical and personal use. This alternative would reduce the demand for employees, and movement of equipment and materials so that the number of vehicle trips generated by the alternative would be reduced.*

*There are no permits required for personal use. If medical meant commercial cannabis, it would not be allowed under the No Project Alternative.*

*Lastly, the smaller permitted cultivation areas would generate fewer objectionable odors with the potential to migrate off-site and affect adjacent parcels.*

*There are no permits required for personal use.*

Page 6-12

*This alternative also would reduce the potential for instream water diversions because the reduced demand of water for cultivation would be much less costly, and therefore more likely to be supplied by NID or other water providers.*

R-148  
cont'd

R-149

R-150

R-151

R-152

R-153

This Alternative does nothing to address the issues of the 3,500 existing cultivation sites that have no path for permits for commercial cannabis licenses which essentially means business as usual in the County. One of the stated goals of the project was to provide a path for licenses and begin the conversion of these non-permitted sites into regulated commercial cannabis cultivation operations. Water diversions are just part of the environmental problem, and having a No Project does not help protect any water resources.

R-153  
cont'd

Page 6-14

*This would reduce the potential for noise generated by construction of new accessory structures and reduce noise from operation of equipment and machinery needed for cultivation such as tractors, fans and generators.*

R-154

Tractors are not used in cultivating cannabis.

*In addition, all cultivation areas would be required to comply with applicable fire codes and implement a security plan which would assist in reducing impacts to these services.*

R-155

There are no security plans required for personal cannabis cultivation. The No Project Alternative would not allow for any commercial cultivation.

Page 6-15

*Therefore, impacts under this alternative to law enforcement, fire, schools, parks, and any other public facilities is substantially the same and the proposed project.*

R-156

The impacts of the No Project Alternative are not even close to resembling the Proposed Project at 27,207 commercial cannabis cultivation facilities in Nevada County.

*An increase in demand on recreational resources is typically associated with an increase in population. As discussed above in population and housing and public services, neither the proposed project nor this alternative is expected to result in substantial population growth.*

demand or need for construction of additional recreational resources that would have an adverse effect on the environment. Therefore, impacts associated with recreation would be similar to the proposed project.

R-157

The impacts of the No Project Alternative are not even close to resembling the Proposed Project at 27,207 commercial cannabis cultivation facilities in Nevada County.

*With this reduction in vehicle trips this alternative would reduce potential impacts to all applicable transportation management plans and overall reduced demand on the circulation system. Neither this alternative nor the proposed project would result in the*

R-158

*construction of new public roads, interfere with emergency access, and neither has the potential to affect air traffic. Although similar in some regards, due to the reduced cultivation footprint, impacts would be less than the proposed project.*

R-158  
cont'd

The impacts of the No Project Alternative are not even close to resembling the Proposed Project at 27,207 commercial cannabis cultivation facilities in Nevada County.

This would not require the demand for substantial drainage facilities, however, all uses would be required to comply with all storm water drainage permits including complying with NPDES and obtaining proper permits from the appropriate regional water quality control board.

R-159

Personal cultivation of 6 plants generally does not require any permit from the State Water Board as long as the canopy is below the minimum requirements.

Therefore, impacts under this alternative would be slightly reduced compared to the proposed project.

R-160

How can the No Project be only slightly less than the 27,207 parcels shown in the Proposed Project?

Page 6-16

## THIRTY PERCENT CULTIVATION ALTERNATIVE

The permits would be issued on a first come first served basis. To more fairly distribute the permits, each size category of parcel (2-5 acres, 5-10 acres, 10-20 acres, and >20 acres) would be eligible for 2,040 permits (25 percent of the total number of 8,126). Table 6-1: Permits Issued by Parcel Acreage shows this information. In addition, the estimated current 3,500 cannabis cultivation operations are included in the listed totals and also would be in a first come first served basis to received permits.

R-161

The 3,500 existing cultivation sites are part of the baseline condition for the project as discussed earlier in the Draft EIR. How they be listed in the totals as described above?

All properties with the correct zoning and lot size can apply for commercial cannabis cultivation permits under the NCCO and the 3,500 existing sites have no preference for a permit.

R-162

Page 6-17

the same 100-foot setback from the property line, and 1,000 feet from sensitive uses, and installation or presence of visual screening.

R-163

The state requires 600 feet from schools. See previous comments on fencing and landscape screening.

R-163  
cont'd

Page 6-18

Although the construction of new structures **would be reduced** impacts associated with height restrictions in the vicinity of public or private airports would not be substantially reduced as compliance would be required under both this alternative and the proposed project.

R-164

Should read: structures would be reduced, impacts

Page 6-19

Noise impacts under this alternative would be reduced compared to the proposed project. This alternative would reduce the overall project footprint by approximately 70% **which would have a similar reduction cultivation areas** and construction of accessory structures and operation of construction equipment and machinery such as fans and generators, needed for cultivation.

R-165

Should read: which would achieve a similar reduction in cultivation areas

Page 6-20

## POPULATION AND HOUSING

This reduction is expected to be approximately 70% **to a total of 6,600**. Accordingly, this alternative also would not result in the involuntary displacement of any existing residents and would not result in the need for replacement housing that would result in impacts to the environment. This impact would be result in a reduction in the potential for these impacts to occur compared to the proposed project.

R-166

The total employees for the 30% Project Alternative is 24,990 which are shown in the Suggested Solutions document submitted February 22, 2019. The 6,000 shown above is not even close to the number of employees required. Also, the 24,990 does not include the indirect employees associated with the project which have been estimate at 2.5 times the number of full time employees working in commercial cannabis in Nevada County.

## PUBLIC SERVICES

As discussed in population and housing above and in Section 4.12: Population and Housing, while the **proposed project has the potential to induce substantial population growth within the County**, it is unlikely due to numerous constraints. Similarly, the Thirty Percent Cultivation Alternative also has the potential to increase the demand for public services, but compared to the proposed project the number of eligible parcels on which

R-167

*commercial cultivation could occur would be substantially reduced. If the population increased by 70% less, resulting in a total estimated population increase of 6,600 people, impacts to existing public services including law enforcement, fire, schools, and parks for residents under this alternative would be less than the proposed NCCO.*

R-167  
cont'd

The proposed project has more than the potential to induce substantial population growth within the county. The project as proposed requires 14,500 new housing units and would employ 83,296 full time workers.

The total employees for the 30% Project Alternative is 24,990 which are shown in the Suggested Solutions document submitted February 22, 2019. The 6,000 shown above is not even close to the number of employees required. Also, the 24,990 does not include the indirect employees associated with the project which have been estimate at 2.5 times the number of full time employees working in commercial cannabis in Nevada County.

R-168

## RECREATION

*An increase in demand on recreational resources is typically associated with an increase in population. As discussed above, the proposed project would be expected, if every eligible parcel is used for cannabis cultivation and the maximum expected number of employees is used, to induce a population increase of approximately 22,000 people.*

R-169

The proposed project has more than the potential to induce substantial population growth within the county. The project as proposed requires 14,500 new housing units and would employ 83,296 full time workers. Also, the 83,296 for the proposed project does not include the indirect employees associated with the project which have been estimate at 2.5 times the number of full time employees working in commercial cannabis in Nevada County

## TRANSPORTATION AND TRAFFIC

With the reduction in vehicle trips this alternative would reduce potential impacts to all applicable transportation management plans and overall reduced demand on the circulation system. Neither this alternative nor the proposed project would result in the construction of new public roads, interfere with emergency access, and neither has the potential to affect air traffic. Although similar in some regards, due to the reduced cultivation footprint, impacts would be less than the proposed project.

R-170

The proposed project has more than the potential to induce substantial population growth within the county. The project as proposed requires 14,500 new housing units and would employ 83,296 full time workers. Also, the 83,296 for the proposed project does not include the indirect employees associated with the project which have been estimate at 2.5 times the number of full time employees working in commercial cannabis in Nevada County. All of these direct employed workers would be driving to the

cultivation sites and the indirect workers would be disbursed over a broader area, and some may not be located in the county which could impact adjacent counties.

R-170  
cont'd

The Proposed Project and 30% Alternative Project are not similar.

R-171

## UTILITIES AND SERVICE SYSTEMS

Electric use was not addressed for the 30% Alternative Project in the Draft EIR. The 30% Alternative project would require about 2,536,981 Megawatts of electricity. The 30% Project would also require 1,765,716 solar panels to provide for 40% of alternative energy which if installed, would be deducted from the overall power needs from grid delivered electricity. The solar panels would occupy about 55 acres of land.

R-172

Page 6-21

## NO GROUNDWATER CULTIVATION ALTERNATIVE

Growers also would have the option to purchase **water to be trucked in**, but this also is expected to be cost prohibitive.

R-173

Water delivery by truck is not permitted in the county.

This alternative is responsive to those concerns by **disallowing the use of onsite ground water wells** for the purpose of commercial cannabis cultivation.

The water use projected in the Draft EIR is overstated. Refer to water comments earlier in this document. Groundwater issues are localized, as there is not a continuous aquafer underlying Nevada County. Testimony was given at the Planning Commission hearing by a hydrogeologist who had studied groundwater in Nevada and Placer Counties and their determination was that there was not groundwater shortage.

R-174

It is not clear how many parcels would be available for commercial cultivation under the No Groundwater Alternative and as such determining potential impacts for the alternative is difficult. A proposed project needs to be quantified so impacts can be calculated for comparison against the Original Proposed Project.

R-175

Page 6-23

## BIOLOGICAL RESOURCES

The reduced cultivation footprint would result less areas of disturbance with less potential to disturb terrestrial habitats and species, **however, this alternative would result in the increased potential for instream and riparian impacts associated with the use of water diversions**, this could have a secondary effect of increasing sedimentation from instream work,

R-176

Water diversions can only occur where there is water to divert and most parcels are not adjacent to streams or rivers which flow year-round.

R-176  
cont'd

Additionally, the **introduction of water storage tanks** may result in some additional disturbance from clearing and grading that could impacts sensitive biological resources.

The introduction of water storage tanks implies rainwater capture. There are very strict Water Board requirements on rainwater capture and collecting enough water only from within the boundaries of parcel ownership, will probably not come close to supplying the commercial cultivation site with enough water to cultivate during the summer.

R-177

Page 6-23

## GEOLOGY AND SOILS

The reduced cultivation footprint would **result less areas** of disturbance with less potential for grading to disturb or create slopes resulting in landslides or otherwise causing a unit of soil to become unstable.

R-178

Should read: result in less areas

Neither No Groundwater Cultivation

R-179

Should read: Neither the No Groundwater

Page 6-24

## HYDROLOGY AND WATER QUALITY

The reduced cultivation footprint would **result less areas of disturbance** with less potential for grading and baring of soils, and less potential for altering drainage patterns that could erode and be washed out affecting downstream waters.

R-180

Should read: result in less areas of disturbance

Lastly, although this alternative would likely result in fewer new residences or ancillary structures, through the permitting **and ADP process**, under this alternative and the proposed project, neither would not be authorized within a 100-year floodplain.

R-181

Should read: and CCP or ADP process

Page 6-25

## POPULATION AND HOUSING

**The proposed project is not expected to induce substantial population growth within the County.** It is expected that initially most cultivation would be undertaken by existing

R-182

residents within the County but that long-term, some people may choose to relocate into the County to cultivate on parcels zones AE, AG, or FR. Although this alternative would result in fewer parcels on which it is economically viable to cultivate cannabis, **it is not expected to substantially reduce the number of people that may move to into the County.** Accordingly, this alternative would not result in the involuntary displacement of any existing residents and would not result in the need for replacement housing that would result in impacts to the environment. **This impact would be substantially the same as the proposed project.**

R-182  
cont'd

The Proposed project adds 83,296 full time jobs plus 2.5 times that amount in indirect full time employees. The proposed Project also requires the construction of 14,500 new housing units. The would have a significant impact of population growth and housing.

Any Alternative smaller than the Proposed Project, would have fewer impacts on population and housing.

R-183

The impacts from the No Groundwater Alternative would be substantially less than the Proposed Project since up to 80% of existing cultivation sites currently uses groundwater to irrigate cannabis in the county.

R-184

## PUBLIC SERVICES

As discussed immediately above, the proposed project is not expected to induce substantial population growth within the County and would not result in a substantial direct increase in the demand for public services. It is expected that on parcels on which commercial cultivation would be permitted, AE, AG, and FR, the current use of the property and residents on the site would remain. This would have the effect of largely maintaining the existing demand on public services. **Therefore, impacts under this alternative to law enforcement, fire, schools, parks, and any other public facilities is substantially the same and the proposed project.**

R-185

The Proposed project adds 83,296 full time jobs plus 2.5 times that amount in indirect full time employees. This would have a significant impact on public services. The proposed Project also requires the construction of 14,500 new housing units.

The impacts from the No Groundwater Alternative could be substantially less than the Proposed Project depending on the number of parcels developed for commercial cannabis.

R-186

It appears that many of the statements made in the Project Alternatives are just cut and pasted between sections and little thought is given to the content of the statements.

R-187

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R-188

## RECREATION

*An increase in demand on recreational resources is typically associated with an increase in population. As discussed above, neither the proposed project nor this alternative is expected to result in a substantial growth in population. Although the proposed project has greater potential to result in population growth, due to project constraints, full build-out is not expected. Under this No Groundwater Cultivation Alternative, although the use of properties for commercial cannabis cultivation are expected to be reduced, this alternative is not expected to substantially change the existing land use or future land use patterns resulting in the demand or need for construction of additional recreational resources that would have an adverse effect on the environment. Therefore, impacts associated with recreation would be substantially the same as the proposed project.*

R-188  
cont'd

The Proposed project adds 83,296 full time jobs plus 2.5 times that amount in indirect full time employees. The proposed Project also requires the construction of 14,500 new housing units. The No Groundwater Alternative has not indicated a project size for comparison.

The impacts from the No Groundwater Alternative could be substantially less than the Proposed Project depending on the number of parcels developed for commercial cannabis.

R-189

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## UTILITIES AND SERVICE SYSTEMS

Electrical requirements have not been addressed for the No Ground water Project. Without knowing the size of the project electric needs, employment, housing impact on public services, recreation, drainage and other required EIR components cannot be addressed.

R-190

The expected reduction in cultivation area would not substantially increase the demand for wastewater treatment or increase the demand such that new facilities would be needed.

R-191

A reduction would not increase any demand for wastewater treatment.

Additionally, similar to the proposed project this alternative is not expected to substantially increase the County population such that it would increase demand on a public service system.

R-192

The Proposed project adds 83,296 full time jobs plus 2.5 times that amount in indirect full time employees. The proposed Project also requires the construction of 14,500 new

housing units. The No Groundwater Alternative has not indicated a project size for comparison.

R-192  
cont'd

Page 6-27

## CULTIVATION ALLOWED IN RA ZONES ALTERNATIVE

*This alternative would maintain the current cultivation proposed for the AE, AG, and FR zones but also, in response to public input and request during the scoping process and comment period on the NOP, includes commercial cultivation in some RA zoned areas. Cultivation that would be allowed in the RA zones is shown in Table 6-2: RA Zone Cultivation, below. With the increase cultivation allowed in the RA zones, this alternative would result in potential cultivation on approximately 20,833 additional parcels, an increase of approximately 76%.*

R-193

includes commercial cultivation in some RA zoned areas. (Specifically the RA-Rural zone).

The Alternative being addressed in this Draft EIR has expanded to some 20,833 parcels, which is a number that appears to be inaccurate. According to the Department of Community Development Chart which was distributed at the May 5, 2018 Board of Supervisors meeting, there are 640 parcels with residences in the RA-Residential zone, 2,524 parcels with residences in the RA-Estate zone and 2,524 parcels with residence in the RA-Rural zone.

R-194

Using the same ratio of parcels with residences to parcels without residences in the AE, AG and FR zones the following calculation would provide a more accurate estimate of total parcels in the RA-Rural zone. The AE zone has 140 parcels with residences, the AG zone has 10,363 parcels with residences and the FR zone has 2,163 parcels with residences. In total these zones have 12,666 parcels with residences. There are 27,207 total parcels in these zones which mean there are residences on 46.55% of the parcels. Using this same ratio in the RA zones, there should only be about 5,422 total parcels in the RA-Rural zone and a total of 12,230 parcels in all of the RA zones (including RA-Rural).

R-195

Please refer to the Appendix Section B for correspondence relating to the RA-Rural zone and the specific character of this zone which shows the similarities to the AG zone, and why the RA-Rural zone is different from the RA-Residential and RA-Estate zones.

R-196

For clarification, all comments made refer only to commercial cannabis in the RA-Rural zone.

The Draft EIR has examined the impacts of the 27,207 parcel Proposed Project. These impacts are very large and are the baseline from which other Alternative Projects are

R-197

compared. The Original Project was never realistic as all of the parcels could not be developed for commercial cannabis. The Original Project would have required the construction of 14,500 new homes to build out the project, impacts from which were not even addressed in the Draft EIR. The Original Project was unrealistic and unobtainable from the outset. The Original Project created 83,296 full time jobs directing employed in cannabis cultivation and trimming, plus maybe 2.5 times that many (208,240) additional indirect full time employees according to titled “Economic Impact Study of the Cannabis Sector in the Greater Sacramento area dated Oct. 17, 2016”.

R-197  
cont'd

The Original Project required 8,456,089 Megawatts of electricity, 3,875 acre feet of water and created a total disturbed area of 8,110 acres, which included the canopy, site grading, accessory space and 2,370 acres for solar panels to provide 40% alternative power for the Project. The Project also produced over 13.1 million net saleable pounds of cannabis, which was about the amount estimated for the entire states production in 2016, and about 435% of the total legal state demand for adults in the year 2021.

R-198

There is no basis in reality for the Original Project and the project size must be reduced for obvious reasons. The Draft EIR has now overinflated the number of parcels in the RA zone and has assumed that another 20,833 parcels would be added with the RA Alternative Project. The only parcels which were ever discussed for inclusion were the RA-Rural parcels, which included 2,524 parcels with residence in the RA-Rural zone, (possibly a total of 5,422 parcels). The RA-Rural parcels have been cultivating cannabis just like in the AE, AG and FR zones in the county for 50 years and these parcels also need a path to legal permits. Bans on cannabis cultivation have never worked in the county and by not allowing parcels where cannabis has been historically cultivated a process to obtain licenses is then just another ban for these parcel owners.

R-199

### **Alternative Project 5 (Submitted in Suggested Solutions February 22, 2019)**

In the Suggested Solutions document, submitted on February 22, 2019, 12 alternative projects were compared against the Original Project and the 30% Alternative Project evaluated in the Draft EIR. All of the 12 alternative projects evaluated include the RA-Rural properties. The following table shows the results of this analysis, and the Alternative 5 was selected as the preferred project. The RA-Rural zoned parcels were included with the same canopy as the AE, AG and FR zones, which was 2 to 5 acres, 500 square foot of canopy indoors only; 5 to 10 acres, 2,500 square feet of canopy indoors, mixed-light or outdoors; 10 to 20 acres, 5,000 square feet of canopy, indoors, mixed-light or outdoors; and over 20 acres, 10,000 square feet of canopy, indoors, mixed-light or outdoors.

R-200

| February 21, 2019 by: Plan-aire.com |                                                 |                    |                    |                           |                     |                          |                       |                    |                      |                      |                          |                     |                    |                                    |
|-------------------------------------|-------------------------------------------------|--------------------|--------------------|---------------------------|---------------------|--------------------------|-----------------------|--------------------|----------------------|----------------------|--------------------------|---------------------|--------------------|------------------------------------|
| Study No.                           | Name of Project Alternative                     | Number of Permits  |                    |                           |                     |                          | % of Production       |                    |                      |                      |                          | Permit Allocations  |                    | Project Size Compared to Draft EIR |
|                                     |                                                 | Total Permits      | 500 SF Indoor Only | Permits 2,500 SF          | Permits 5,000 SF    | Permits 10,000 SF        | % Indoor 500 SF       | % Indoor           | % Mixed-light Tier 1 | % Mixed-light Tier 2 | % Outdoor                | Permits AE, AE & FR | Permits RA-Rural   |                                    |
| No. 1                               | Original Project as Shown in Draft EIR          | 27,207             | 6,836              | 8,228                     | 5,698               | 6,445                    | 3.73%                 | 41.26%             | 0.00%                | 41.26%               | 13.75%                   | 27,207              | -                  | 100.0%                             |
| No. 2                               | 30% Project Alternative                         | 8,162              | 2,051              | 2,468                     | 1,709               | 1,934                    | 3.73%                 | 41.26%             | 0.00%                | 41.26%               | 13.75%                   | 8,162               | -                  | 30.0%                              |
| No. 3                               | Alternative 1A (33% Indoor, Mixed & Outdoor)    | 7,000              | 1,945              | 2,437                     | 1,206               | 1,412                    | 4.55%                 | 40.91%             | 0.00%                | 40.91%               | 13.64%                   | 3,902               | 3,098              | 25.7%                              |
| No. 4                               | Alternative 1B (Reduce 500 SF Sites - 33% Mix)  | 7,000              | 1,050              | 2,100                     | 1,750               | 2,100                    | 1.89%                 | 42.05%             | 0.00%                | 42.05%               | 14.02%                   | 4,733               | 2,267              | 25.7%                              |
| No. 5                               | Alternative 1C (55% Outdoor - Increased Indoor) | 7,000              | 210                | 1,190                     | 2,100               | 3,500                    | 0.43%                 | 19.91%             | 0.00%                | 52.27%               | 27.38%                   | 5,882               | 1,118              | 25.7%                              |
| No. 6                               | Alternative 1D (55% Outdoor - Increase Indoor)  | 7,000              | 210                | 1,190                     | 2,800               | 2,800                    | 0.46%                 | 19.91%             | 0.00%                | 52.26%               | 27.37%                   | 5,879               | 1,121              | 25.7%                              |
| No. 7                               | Alternative 1E (55% Outdoor-Add Mixed-light 1)  | 7,000              | 210                | 1,190                     | 2,800               | 2,800                    | 0.45%                 | 19.09%             | 34.09%               | 16.37%               | 30.00%                   | 5,879               | 1,121              | 25.7%                              |
| No. 8                               | Alternative 1F (Add Mixed-light 1, Indoor 3.5)  | 7,000              | 210                | 1,490                     | 2,650               | 2,650                    | 0.46%                 | 19.09%             | 34.09%               | 16.36%               | 30.00%                   | 5,694               | 1,306              | 25.7%                              |
| No. 9                               | Alternative 2A (5,250 Permits - 55% Outdoor)    | 5,250              | 785                | 1,575                     | 1,315               | 1,575                    | 2.79%                 | 18.64%             | 33.29%               | 15.98%               | 29.30%                   | 3,552               | 1,698              | 19.3%                              |
| No. 10                              | Alternative 2B (5,250 Permits - 60% Outdoor)    | 5,250              | 785                | 1,575                     | 1,315               | 1,575                    | 2.90%                 | 19.42%             | 27.74%               | 16.65%               | 33.29%                   | 3,552               | 1,698              | 19.3%                              |
| No. 11                              | Alternative 3A (5,000 Permits - 60% Outdoor)    | 5,000              | 250                | 1,500                     | 1,800               | 1,450                    | 0.91%                 | 19.82%             | 28.31%               | 16.99%               | 33.97%                   | 3,728               | 1,272              | 18.4%                              |
| No. 12                              | Alternative 4A (4,000 Permits - 60% Outdoor)    | 4,000              | 200                | 1,000                     | 1,500               | 1,300                    | 0.86%                 | 19.83%             | 28.33%               | 17.00%               | 33.99%                   | 3,106               | 894                | 14.7%                              |
| No. 13                              | Alternative 4B (4,000 Permits - 70% Outdoor)    | 4,000              | 100                | 800                       | 1,600               | 1,500                    | 0.45%                 | 11.13%             | 19.08%               | 24.81%               | 44.53%                   | 3,299               | 701                | 14.7%                              |
| No. 14                              | Alternative 5 (4,250 Permits - 70% Outdoor)     | 4,250              | 150                | 1,000                     | 1,600               | 1,500                    | 0.65%                 | 11.11%             | 19.04%               | 24.76%               | 44.44%                   | 3,568               | 682                | 15.6%                              |
| Study No.                           | Name of Project Alternative                     | Canopy             |                    | Production & Market Share |                     |                          | Employees             |                    |                      |                      | Water                    | Electric            | Solar              | Disturbed Area                     |
|                                     |                                                 | Total Acres Canopy | Total SF Canopy    | Total SF Production       | Net Saleable Pounds | % of Market Share (2060) | Cultivation Employees | Trimming Employees | Total Employees      | Employees Per Site   | Total Water Use Ac. Feet | Use Megawatts       | Solar Panels (40%) | Total Disturbed Area in Acres      |
| No. 1                               | Original Project as Shown in Draft EIR          | 2,684.3            | 116,928,000        | 275,110,667               | 13,167,069          | 791.5%                   | 38,152                | 45,144             | 83,296               | 3.06                 | 3,875.45                 | 8,456,089           | 5,885,363          | 8,110.32                           |
| No. 2                               | 30% Project Alternative                         | 805.3              | 35,080,500         | 82,538,167                | 3,950,358           | 237.5%                   | 11,446                | 13,544             | 24,990               | 3.06                 | 1,162.71                 | 2,536,981           | 1,765,716          | 2,433.24                           |
| No. 3                               | Alternative 1A (33% Indoor, Mixed & Outdoor)    | 501.9              | 21,864,286         | 64,150,000                | 3,070,282           | 184.6%                   | 9,255                 | 10,527             | 19,782               | 2.83                 | 902.01                   | 1,980,277           | 1,378,255          | 1,891.08                           |
| No. 4                               | Alternative 1B (Reduce 500 SF Sites - 33% Mix)  | 705.4              | 30,729,395         | 83,241,667                | 3,984,029           | 239.5%                   | 10,996                | 13,660             | 24,655               | 3.52                 | 1,177.44                 | 2,533,953           | 1,763,608          | 2,454.22                           |
| No. 5                               | Alternative 1C (Mix 33% Outdoor - More 10,000)  | 1,034.4            | 45,060,445         | 97,370,000                | 4,660,225           | 280.1%                   | 11,604                | 15,978             | 27,582               | 3.94                 | 1,610.13                 | 1,972,549           | 1,372,876          | 2,937.79                           |
| No. 6                               | Alternative 1D (Mix 55% Outdoor - More 10,000)  | 956.2              | 41,653,998         | 90,370,000                | 4,325,198           | 260.0%                   | 11,001                | 14,829             | 25,830               | 3.69                 | 1,494.13                 | 1,831,179           | 1,274,484          | 2,726.34                           |
| No. 7                               | Alternative 1E (55% Outdoor-Add Mixed-light 1)  | 956.2              | 41,653,998         | 82,446,875                | 3,945,989           | 237.2%                   | 10,401                | 13,529             | 23,930               | 3.42                 | 1,494.13                 | 1,389,300           | 966,940            | 2,602.49                           |
| No. 8                               | Alternative 1F (Add Mixed-light 1, Indoor 3.5)  | 912.3              | 39,741,581         | 79,709,375                | 3,814,970           | 229.3%                   | 10,172                | 13,080             | 23,252               | 3.32                 | 1,444.41                 | 1,343,450           | 935,029            | 2,516.00                           |
| No. 9                               | Alternative 2A (5,250 Permits - 55% Outdoor)    | 529.4              | 23,058,747         | 49,302,813                | 2,359,681           | 141.8%                   | 6,663                 | 8,090              | 14,753               | 2.81                 | 883.45                   | 857,236             | 596,628            | 1,548.83                           |
| No. 10                              | Alternative 2B (5,250 Permits - 60% Outdoor)    | 529.4              | 23,058,747         | 47,333,125                | 2,265,410           | 136.2%                   | 6,459                 | 7,767              | 14,226               | 2.71                 | 883.45                   | 830,710             | 578,167            | 1,541.40                           |
| No. 11                              | Alternative 3A (5,000 Permits - 60% Outdoor)    | 552.0              | 24,046,338         | 48,125,000                | 2,303,310           | 138.5%                   | 6,460                 | 7,897              | 14,357               | 2.87                 | 907.32                   | 822,764             | 572,636            | 1,574.52                           |
| No. 12                              | Alternative 4A (4,000 Permits - 60% Outdoor)    | 475.4              | 20,706,669         | 40,600,000                | 1,943,156           | 116.8%                   | 5,350                 | 6,662              | 12,012               | 3.00                 | 765.63                   | 693,679             | 482,794            | 1,328.47                           |
| No. 13                              | Alternative 4B (4,000 Permits - 70% Outdoor)    | 526.5              | 22,936,267         | 39,300,000                | 1,880,937           | 113.1%                   | 5,253                 | 6,449              | 11,702               | 2.93                 | 830.26                   | 584,451             | 406,773            | 1,393.59                           |
| No. 14                              | Alternative 5 (4,250 Permits - 70% Outdoor)     | 539.8              | 23,511,974         | 40,170,000                | 1,922,576           | 115.6%                   | 5,432                 | 6,592              | 12,024               | 2.83                 | 847.66                   | 599,471             | 417,227            | 1,423.57                           |

R-200  
cont'd

Alternative 5 included 3,568 parcels in the AE, AG and FR zones plus 682 parcels in the RA-Rural zone. Alternative 5, required 12,024 employees directly working in cannabis cultivation and trimming, used 599,471 Megawatts of electricity, 847 acre feet of water and had a total disturbed area of 1,423 acres which included the total plant canopy, accessory structures, site grading and 168 acres for solar panels. The Alternative 5 project also produced 1.9 million net saleable pounds of cannabis which corresponds fairly closely to Nevada Counties estimated market share in the year 2060 for adult users.

This is a far superior project than both the Original Project and the 30% Alternative and meets the stated objectives of the project as outlined in the Draft EIR. The Alternative 5 project has about 15.6% of the number of total permits of the Original project, 20% of the canopy, 15% of the total net production, 14% of the total number of employees, uses 22% of the water, 7% of the electricity and has a total disturbed area of 18% of the Original Project. Environmentally, the Alternative 5 project is far superior.

As a realistic Project Alternative, Alternate 5 should be considered. This alternative includes the RA-Rural properties and reduces the overall impact of the NCCO on the environment.

R-200  
cont'd

#### Page 6-27 Table 6-2: RA Zone Cultivation

The RA-Rural zoned parcels should have the same canopy square footage based on parcel size as the AE, AG and FR zoned parcels. There is no 1,500 square foot canopy license at the state level, and these parcels would have to pay all of the same fees and be subject to all of the same requirements as the 2,500 square foot canopy. This would create a disadvantage for this special 1,500 acre designation and cause a burden for these parcels owners compared to the AE, AG and FR zones.

R-201

#### AESTHETICS

*With the increase cultivation allowed in the RA zones, the number of parcels on which cultivation would be allowed to occur would increase by approximately 76 percent to a total of 48,040 parcels.*

*With the increase cultivation areas this alternative would have a greater likelihood of impacts to scenic resources, such as rock outcrops, trees, and buildings, would increase the potential to degrade scenic resources, and would increase the potential for light and glare impacts. Impacts associated with this alternative would be substantially increased.*

R-202

This 48,040 parcel increase or 76% is inaccurate since there only 2,524 parcels with residences (maybe 5,422 total parcels) in the RA-Rural zone, which is the only designation being considered for inclusion in the NCCO project, not all of the RA parcels.

Increasing the cultivation area and adding even more parcels to the overinflated Proposed Project examined in the Draft EIR would indeed increase impacts. The Alternative 5 project reduces the projects impacts to about 20% or less of the Original Project and includes the RA-Rural zoned parcels.

R-202  
cont'd

Page 6-27

## AGRICULTURAL RESOURCES

*Much of the land, however, designated as RA contains thick stands of trees and according to the California Public Resources Code, these areas would be classified as forest land, woodland, or timberland although not formally designated as such. If these zones were open to cultivation it could induce removal of trees. Although these activities would be subject to the same permitting requirements under the California Forest Practice Act as the proposed project, the overall loss of timberlands would be greater, and impacts would incrementally increase.*

Any trees would have to be handled through the permit process. It is unclear as to where these parcels which are being referred to in the statement are located. The RA-Rural lots are generally located in areas adjacent to existing infrastructure and not in forest areas. These comments do not appear to be accurate. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on agricultural resources.

R-203

## AIR QUALITY AND GREENHOUSE GAS EMISSIONS

*Impacts to air quality and greenhouse gas emission under this alternative would be increased compared to the proposed project. As discussed above, this alternative would substantially increase the number of parcels that would be available to commercial cannabis cultivation. This would result in a substantial increase in the cultivation area footprint resulting in increased agriculture activity resulting in increased use of machinery, grading, and vehicle trips to transport materials and employees to and from project sites. These activities would increase air emissions including greenhouses gasses from burning of fossil fuels needed for vehicles and machinery. These emissions also could potentially result in violations of and conflicts with air quality and attainment plans. Additionally, some of the additional cultivation sites would increase the number of cultivation uses close to sensitive receptors. Additionally, because the RA parcels consist of smaller lots, odors from cultivation would have an increased potential to be transported offsite to adjacent and nearby residences and properties. Therefore, this*

R-204

alternative would have the effect of increasing impacts to air quality and greenhouse gas emissions.

The Proposed Project is not realistic as a baseline for comparison. This section again is using all of the RA Parcels instead of just the RA-Rural parcels. The Alternative 5 project is only 20% of the size of the Original Project and included the RA-Rural parcels so air quality when measured for that project would be considerably less. The 100' setbacks apply to all parcels in the AE, AG, FR and RA-Rural zones. Smell from cannabis is a county-wide issue, not just a RA issue. There are many existing cultivation sites in the RA-Rural zones just like the AE, AG and FR zones. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on air quality and greenhouse gas emissions.

R-204  
cont'd

## BIOLOGICAL RESOURCES

*Impacts Biological Resources under the Cultivation in RA Zones Alternative would be increased compared to the proposed project because it would substantially increase the area in which commercial cannabis cultivation could occur. This would result in increased impacts and disturbance to potentially sensitive habitats, plants, and wildlife. This alternative has the potential to increase cultivation on parcels that contain riparian habitat, wetlands and could result in the filling and loss of more of these areas, both directly and indirectly. Cultivation activities under this alternative also has a greater potential to affect sensitive aquatic environments and associated species and increasing conflicts with the Nevada County Watercourse, Wetland, and Riparian Ordinance. The increased cultivation also would result in a greater effect on habitat and would likely disturb more area used by species as movement and migration corridors, breeding, nursery, and nesting habitat. As discussed above, this alternative also would likely result in the removal of more trees which would increasing conflicts with the Nevada County Tree Preservation and Protection Ordinance. Because there is no habitat conservation plan or natural community conservation plan applicable to Nevada County, impacts in this regard would be the same. However; overall, this alternative would present additional challenges to efficiently and orderly integrate the planning of commercial cannabis cultivation with the protection of biological resources. Therefore, this alternative would result in greater potential impacts when compared to the proposed project.*

R-205

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is

only 20% of the size of the Original Project and would greatly reduce the impacts of the project on biological resources.

R-205  
cont'd

Page 6-29

## CULTURAL AND TRIBAL RESOURCES

*Impacts Cultural and Tribal Resources under this alternative would be increased compared to the proposed project. This alternative would substantially increase the area in which commercial cannabis cultivation could occur; this would result in increased ground disturbance and result in an increased potential to damage or destroy unknown buried cultural and paleontological resources. This alternative also has increased potential to result in impacts to culturally significant structures identified as historical resources. Although the same resources protection plan and development standards as described in the proposed project would be implemented, the potential for impacts to cultural and tribal resources remains greater compared to the proposed project.*

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on cultural and tribal resources.

R-206

## GEOLOGY AND SOILS

*Impacts to geology and soils under this alternative would be increased compared to the proposed project. This alternative would substantially increase the area in which commercial cannabis cultivation could occur, this would result in increased ground and soil disturbance, and would potentially exacerbate landslide hazards, and increase the potential for erosion through the baring of soils to create cultivation pads. The increased area open to cultivation; however, is not expected to substantially induce population growth in these areas because many of the parcels already contain residences. Accordingly, this would not result in a substantial number of new residences or habitable accessory structures that would be at risk from seismic ground shaking, or that would be built on expansive soils and subject to the secondary effects including, liquefaction, lateral spreading, fault rupture or collapse. Conformance with applicable building codes related to seismic safety would help ensure impacts are reduced and similar to the*

R-207

*proposed project. However, this alternative would likely increase groundwater withdrawal from wells and increase the potential subsurface instability and subsidence. Therefore, although most geology and soils impacts would be similar, this alternative would result in incrementally greater impacts compared to the proposed project.*

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on soils and geology.

R-207  
cont'd

## HAZARDS AND HAZARDOUS MATERIALS

*Impacts to Hazards and Hazardous Materials under this alternative would be increased compared to the proposed project. The Cultivation Allowed in RA Zone Alternative would substantially increase the area in which commercial cannabis cultivation could occur. This alternative would increase of the use and transportation of hazardous and potentially hazardous materials including fuels and lubricant used for equipment and machinery and fertilizers and pesticides used for cultivation. This would increase the risk of potential upset conditions from use, transport, and disposal resulting in greater potential dangers to the public, sensitive uses such as schools, and other sensitive receptors in the vicinity of cultivation projects. This alternative also would result in a higher likelihood that cultivation could occur on a site listed pursuant to Government Code Section 65962.5 resulting in additional impacts related to upset and the need for more cleanup efforts. Impacts associated from cultivation areas being located within airport land use plans or private airstrips would be roughly equivalent because this alternative would not induce population growth to these areas and it would still be required to comply with all development restrictions. Similarly, this alternative would not interfere with the implementation of an adopted emergency response or evacuation plan. Although some impacts are similar to the proposed project, overall, this alternative would result in impacts that are greater than that of the proposed project.*

R-208

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is

only 20% of the size of the Original Project and would greatly reduce the impacts of the project on hazards and hazardous materials.

R-208  
cont'd

Page 6-29 and Page 6-30

## HYDROLOGY AND WATER QUALITY

*Impacts to Hydrology and Water Quality under this alternative would be increased compared to the proposed project. This alternative would substantially increase the area in which commercial cannabis cultivation could occur and would increase areas of disturbance thereby increasing the potential for altering existing drainage patterns of project areas and creating additional runoff to streams and rivers, both on-site and to downstream areas. This could have the effect of exceeding drainage capacities causing flooding, as well as result in sedimentation and impacting water quality. The RA zones that surround both Nevada City and Grass Valley both contain areas designated by the Federal Emergency Management Agency as flood zones and some RA zones occur in these areas designated as 100-year floodplains. In addition, it is anticipated that some of the additional parcels that are used for cultivation would use ground water to irrigate the cannabis. This would have the effect of substantially increased ground water demand resulting additional drawdown compared to the proposed project. Therefore, impacts associated with this alternative are greater than the proposed project.*

R-209

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on hydrology and water quality.

## LAND USE AND PLANNING

*Impacts to land use and planning under this alternative would be roughly equivalent compared to the proposed project, with the exception of conflicts with the Grass Valley and Nevada County Spheres of Influence (SOI). Although this alternative would have a larger cultivation footprint, it would be located on existing RA zoned parcels with existing uses and would not result in the physical division of an established community. The proposed project also would not substantially conflict with the policies of the County General Plan resulting a significant effect to the environment. Lastly, there is no*

R-210

*applicable habitat conservation plan within the County and impacts in this regard would be the same as the proposed project. Relating to the SOI; however, because neither the Nevada City or the City of Grass Valley allow for commercial cultivation, cultivation within County designated RA zones could result in conflicts with future annexation efforts of these two cities of properties within their respective SOI's. This could result in substantial consistency issues with the local general plans and zoning ordinances and result in environmental effects. Because neither City has specific regulations or enforcement procedures to ensure that commercial cannabis cultivation conforms to environmental protections, the environmental effects could be substantial. Therefore, impacts in this regard would be greater than the proposed project.*

R-210  
cont'd

Conflicting land uses can be resolved and the only parcels being considered are those in the RA-Rural zone designation which are typically not located adjacent to the existing cities.

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the overall project relating to land use and planning.

R-211

## MINERAL RESOURCES

No new impacts.

R-212

## NOISE

*Impacts associated with noise under this alternative would be increased compared to the proposed project because it would substantially increase the area in which commercial cannabis cultivation could occur. This alternative would increase of the use vehicles and machinery needed to transport people and materials and to facilitate the cultivation activities. This alternative would likely increase construction activities to build accessory structures and bring equipment into areas in close proximity to other residences. This could expose people in adjacent residential locations to increased temporary noise increases. The increased areas of cultivation also would increase the overall ambient noise created by farm equipment including fans needed for ventilation of greenhouse and potential use of generators to power electrical equipment. Similar to the proposed*

R-213

*project, it is not expected that substantial grading, piledriving, or blasting would be needed, so impacts from these potential noise and vibration generating activities would be similar. Although the cultivation activities in these areas would generate additional noise sources, it is not expected to exceed standards. Additionally, all existing setbacks from property lines would remain in place, further ensuring noise violations are not substantially increased. Therefore, impacts associated with noise would be similar but slightly increased compared to the proposed project.*

R-213  
cont'd

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on noise.

Page 6-31

## POPULATION AND HOUSING

*This alternative would have a greater likelihood of inducing substantial population growth within the County than the proposed project. Under this alternative, in addition to the cultivation that would occur in the AG, AE, and FR the increased cultivation in the RA could would substantially increase the parcels on which cultivation could occur. Although many of the RA parcels are smaller and cultivation canopy would be limited, because the RA parcels cover a substantial area, a substantial increase in overall cultivation would be expected. Although much of the RA zoned areas are already built, many areas are not and this could result in a correspondingly substantial increase in the number of people that would move into the County for the purpose of being able to cultivate cannabis. This, this alternative; however, would not result in the involuntary displacement of any existing residents and would not result in the need for replacement housing that would result in impacts to the environment. Therefore, because this alternative would include a larger area, the impacts would be greater than the proposed project.*

R-214

The Original project created 83,296 new full time jobs compared to 12,024 in the Alternative 5 proposal (14%). The Original Project required the construction of 14,500 new homes and in the Alternative 5 project many of the full time workers would either be housed at the cultivation sites or could utilize the existing inventory of homes currently available in the county. In both scenarios there are the indirect workers which are

estimated at 2.5 times the number of full time cultivation and trimming workers which must also be housed, and would increase the population in the county.

R-214  
cont'd

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on population and housing.

R-215

## PUBLIC SERVICES

*Under the Cultivation Allowed in RA Zones, impacts to public services would be similar to that of the proposed project. Although this alternative would substantially increase the number of properties on which commercial cannabis could be cultivated, many of these properties already contain residential structures and are already served by the existing fire departments, sheriff's office, schools, and recreation facilities. As discussed above, this alternative is not expected to substantially increase the population requiring the need for additional public service facilities the construction of which, would result in impacts to the environment. Additionally, while this alternative would likely result in the construction and operation of newly constructed accessory support buildings, conformance with applicable building and fire codes and installation of required security measures would mitigate the potential increased demand for fire protection services and law enforcement services, respectively. Therefore, although this alternative would include a larger area, this impact would be substantially the same as the proposed project.*

R-216

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on public services.

## RECREATION

*As discussed above, this alternative would induce additional population growth in the County compared to the proposed project. The increased population is anticipated to*

R-217

increase the use of existing recreational areas, and also could increase the demand for new recreational areas to be constructed both within the County, County communities, and incorporated cities. The significance on recreation is not only determined by increased demand and deterioration on existing facilities but also focusses on increases in populations such that new or replacement recreational facilities would be needed. If the construction of these facilities is required, they could result in negative physical impacts to the environment. Because this alternative would likely increase population at a greater rate than the proposed project and would be in areas that are more suburban in scale the demand for increased recreational opportunities could be substantial. Therefore, this alternative would result in an increased demand for these resources potentially resulting in new construction. Impacts would be greater than the proposed project.

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on recreation.

R-217  
cont'd

Page 6-32

## TRANSPORTATION AND TRAFFIC

This alternative would result in a substantial number of additional RA zoned parcels being opened to commercial cannabis cultivation. The majority of these areas are within one to three miles of Nevada City and the City of Grass Valley. While the increased cultivation areas would increase demand for employees and increase some vehicle trips to obtain construction materials for ancillary structures and supplies for cultivation, the vehicle trips for these purposes would be localized to the immediate vicinity. Additionally, while 75% of these properties are less than five acres, and the cultivation area canopy would be limited to 500 sf given the total number of increased cultivation areas, this alternative is expected to increase the demand for employees to work these sites and would be an increase compared to the proposed project. Similar to the proposed project, individual projects would be required to pay Traffic Impact Mitigation Fees. All new projects in RA would be required to conform to the same emergency access requirements as the proposed project, and due to locations and required conformance to all height restrictions in the vicinity of airports, neither has the potential to affect air traffic.

R-218

*Therefore; while some impacts would be similar to the proposed project, due to the increased scope of cultivation under this alternative, impacts would be greater than that of the proposed project.*

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on transportation and traffic.

R-218  
cont'd

## UTILITIES AND SERVICE SYSTEMS

*This alternative would result in a substantial number of additional RA zoned parcels being opened to commercial cannabis cultivation and would increase the demand on existing utilities and service systems. While this alternative is expected to increase the overall number of commercial cultivation sites, these areas would be served by existing infrastructures including that for electricity, natural gas, water, and wastewater. The existing infrastructure is expected to be sufficient to serve this need such that new lines and infrastructure would not be required. Related to water supply, these sites are all within the NID service area and NID has indicated it has the capacity to serve all potential cannabis uses. Therefore, impacts would be similar to but slightly greater than the proposed project.*

R-219

Electric use was not covered in this section. The electric use for the Original Project was 8,456,089 Megawatts and the Alternative 5 project was 599,471 Megawatts which is only 7% of the electric requirements of the Proposed Project. Solar or renewable energy was not addressed at all in the Draft EIR and has a considerable footprint on the land. The Original Project required 5,885,363 350W solar panels for a 40% reduction in overall energy use being supplied by renewable energy. The Alternative 5 project requires 417,227 350W panels for the 40% renewable energy requirement.

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project on transportation and traffic.

R-220

Not all parcels are in the NID service area, and according to estimates cannabis cultivation sites are often using groundwater. (An 80% figure was discussed)

R-221

## ATTAINMENT OF PROJECT OBJECTIVES

*The Cultivation Allowed in RA Zones Alternative would meet or partially meet most of the Project Objectives described above in Section 6.3.2. This alternative would result in a regulatory framework under which commercial cannabis cultivation and cultivation for non-remuneration would occur. This alternative would be subject to the same environmental regulations and County permitting process as the proposed project. However; this alternative would result in a substantially increased area that would permit commercial and non-remuneration cultivation. This alternative, therefore; would not meet the project objectives aimed at protection of the environment and reducing the nuisance that cultivation can cause.*

The RA-Rural parcels have been cultivating cannabis just like in the AE, AG and FR zones in the county for 50 years and these parcels also need a path to legal permits. Bans on cannabis cultivation have never worked in the county and by not allowing parcels where cannabis has been historically cultivated a process to obtain licenses is then just another ban for these parcel owners. Allowing commercial cultivation on the RA=Rural parcels would help meet the projects objectives.

R-222

The Alternative 5 project includes a total of 682 permits in the RA-Rural zone. Of these permits, 75 were for 2 to 5 acre parcels (500 SF canopy indoors); 500 in the 5 to 10 acre parcels size (2,500 SF canopy); 59 in the 10 to 20 acre parcel size (5,000 SF canopy) and 48 in the over 20 acre parcel size (10,000 SF canopy). This is not a significant increase and the entire Alternative 5 project, which includes the RA-Rural parcels, is 4,250 parcels, compared to 27,207 in the Original project. The Alternative 5 project is only 20% of the size of the Original Project and would greatly reduce the impacts of the project and help obtain the projects objectives.

Page 6-32

## NO PERMANENT STRUCTURES IN DESIGNATED FARMLAND ALTERNATIVE

This alternative was not shown in the description for Section 6.1

Generally this alternative increases the amount of outdoor cultivation which would have a net impact to the Proposed Project by reducing both Indoor and Mixed-light cultivation. This would decrease the overall yield of cannabis grown, reduce the number of employees and reduce the amount of electric power required for the Proposed Project.

R-223

There are no numbers provided as to the number of parcels which would be affected by this alternative. Generally the protection of prime farmland should be considered as part of the Proposed Project or any other alternative project proposed for consideration.

R-223  
cont'd

Page 6-38

### 6.3 ENVIRONMENTALLY SUPERIOR ALTERNATIVE

*An EIR is required to identify the environmentally superior alternative from among the range of reasonable alternatives that are evaluated. Section 15126.6 (e)(2) of the State CEQA Guidelines requires that an environmentally superior alternative be designated and states that if the environmentally superior alternative is the No Project alternative, the EIR shall also identify an environmentally superior alternative among the other alternatives.*

R-224

The environmentally superior project would be the Alternative 5 project. Although not evaluated in this Draft EIR, this alternative is far superior to the Proposed Project, the 30% Alternative and the RA Alternative presented in the Draft EIR.

The Draft EIR has examined the impacts of the 27,207 parcel Proposed Project. These impacts are very large and are the baseline from which other Alternative Projects are compared. The Original Project was never realistic as all of the parcels could not be developed for commercial cannabis. The Original Project would have required the construction of 14,500 new homes to build out the project, impacts from which were not even addressed in the Draft EIR. The Original Project was unrealistic and unobtainable from the outset. The Original Project created 83,296 full time jobs directing employed in cannabis cultivation and trimming, plus maybe 2.5 times that many (208,240) additional indirect full time employees according to titled "Economic Impact Study of the Cannabis Sector in the Greater Sacramento area dated Oct. 17, 2016".

R-225

The Original Project required 8,456,089 Megawatts of electricity, 3,875 acre feet of water and created a total disturbed area of 8,110 acres, which included the canopy, site grading, accessory space and 2,370 acres for solar panels to provide 40% alternative power for the Project. The Project also produced over 13.1 million net saleable pounds of cannabis, which was about the amount estimated for the entire states production in 2016, and about 435% of the total legal state demand for adults in the year 2021.

R-226

There is no basis in reality for the Original Project and the project size must be reduced for obvious reasons. The Draft EIR has also overinflated the number of parcels in the RA zone and has assumed that another 20,833 parcels would be added with the RA Alternative Project. The only parcels which were ever discussed for inclusion were the RA-Rural parcels, which included 2,524 parcels with residence in the RA-Rural zone,

R-227

(possibly a total of 5,422 parcels). The RA-Rural parcels have been cultivating cannabis just like in the AE, AG and FR zones in the county for 50 years and these parcels also need a path to legal permits. Bans on cannabis cultivation have never worked in the county and by not allowing parcels where cannabis has been historically cultivated a process to obtain licenses is then just another ban for these parcel owners.

R-227  
cont'd

### **Alternative Project 5 (Submitted in Suggested Solutions February 22, 2019)**

In the Suggested Solutions document, submitted on February 22, 2019, 12 alternative projects were compared against the Original Project and the 30% Alternative Project evaluated in the Draft EIR. All of the 12 alternative projects evaluated include the RA-Rural properties. The following table shows the results of this analysis, and the Alternative 5 was selected as the preferred project. The RA-Rural zoned parcels were included with the same canopy as the AE, AG and FR zones, which was 2 to 5 acres, 500 square foot of canopy indoors only; 5 to 10 acres, 2,500 square feet of canopy indoors, mixed-light or outdoors; 10 to 20 acres, 5,000 square feet of canopy, indoors, mixed-light or outdoors; and over 20 acres, 10,000 square feet of canopy, indoors, mixed-light or outdoors.

R-228

Alternative 5 included 3,568 parcels in the AE, AG and FR zones plus 682 parcels in the RA-Rural zone. Alternative 5, required 12,024 employees directly working in cannabis cultivation and trimming, used 599,471 Megawatts of electricity, 847 acre feet of water and had a total disturbed area of 1,423 acres which included the total plant canopy, accessory structures, site grading and 168 acres for solar panels. The Alternative 5 project also produced 1.9 million net saleable pounds of cannabis which corresponds fairly closely to Nevada Counties estimated market share in the year 2060 for adult users.

R-229

This is a far superior project than both the Original Project and the 30% Alternative and meets the stated objectives of the project as outlined in the Draft EIR. The Alternative 5 project has about 15.6% of the number of total permits of the Original project, 20% of the canopy, 15% of the total net production, 14% of the total number of employees, uses 22% of the water, 7% of the electricity and has a total disturbed area of 18% of the Original Project. Environmentally, the Alternative 5 project is far superior.

R-230

As a realistic Project Alternative, Alternate 5 should be considered as the preferred alternative project as this project is the environmentally superior project os all projects analyzed for the Draft EIR. This alternative includes the RA-Rural properties and reduces the overall impact of the NCCO on the environment.

R-231

Page 6-38 continued

R-232

*The context of an environmentally superior alternative is based on the consideration of several factors including the reduction of environmental impacts to a less than significant level, the project objectives, and an alternative's ability to fulfill the objectives with minimal impacts to the existing site and surrounding environment. According to Table 6-3, the "No Project" alternative would be the environmentally superior alternative because it would eliminate all of the potentially significant impacts of the proposed project. However, while the "No Project" alternative is the environmentally superior alternative, it is not capable of meeting any of the basic objectives of the proposed project. After the "No Project" alternative, the environmentally superior alternative to the proposed project is the one that would result in the fewest or least significant environmental impacts.*

*Based on the evaluation undertaken, Thirty Percent of Parcels Alternative is the environmentally superior alternative. This is the environmentally superior project alternative because it would have a less intense commercial cannabis cultivation footprint throughout the County compared to the proposed project. However, the limited number of allowed permits would substantially hinder the County's objective of providing a legal and regulated process for commercial cannabis cultivation in the County.*

The Alternative 5 project proposal, best meets the majority of the projects objectives while reducing the overall impacts of the project to less than 20% of the Proposed Project described in the Draft EIR.

The Alternative 5 project should be fully evaluated and considered as the preferred alternative for the NCCO program. Complete details of the Alternative 5 project description and comparative impacts are contained in the Suggested Solutions document submitted February 22, 2019 as part of the public comments for the Draft EIR.

Pages 7.1 through 7-14

## **7.0 BIBLIOGRAPHY**

No comments

Pages 8-1 through 10-16

## **8.0 ORGANIZATIONS AND PERSONS CONSULTED**

## **9.0 LIST OF PREPARERS**

## **10.0 COMMONLY USED ACRONYMS AND ABBREVIATIONS**

No comments

R-232  
cont'd

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R-234

## Appendix to Draft EIR Comments February 25, 2019

### – Submittal Number 3

#### Table of Contents:

##### Section A – Water

##### Section B – RA-Rural

#### Section A - Water

##### [May 2015 HUMBOLDT COUNTY CANNABIS WATER USE STUDY:](#)

[May 7, 2015](#)[May 7, 2015/MilewideNursery/Leave a comment](#)

<https://humboldtgrower.wordpress.com/tag/cannabis-water-use/>

There has been an assumption made that cannabis growers are now responsible for the destruction of the Eel River watershed. However, we all know the Eel River was on the most endangered rivers list long before cannabis cultivation had any impact. Now, due to the drought, cannabis needs to be evaluated the same way all agricultural crops are evaluated.

In comparison with other agricultural crops, cannabis does use a good deal of water. It is current opinion that cannabis cultivation should be limited based on water consumption.

The Humboldt Growers Association (now Emerald Growers Association) proposed an ordinance in 2010 stating that “marijuana used an average of 22.7 liters (6 gallons) of water a day.” The statistics in that report on gallons used per day per plant were overstated (Emerald Growers Association no longer supports these statistics.). Now they have been referenced again in the Bauer report “Impacts of Surface Water Diversions for Marijuana Cultivation on Aquatic Habitat in Four Northwestern California Watersheds.” Neither of these accounts takes into consideration water consumption in relation to total biomass. The square foot assessment does not account for the variation in water consumption per square foot relevant to the average height of a plant or garden. This will result in gross overestimates of water consumption and a reduction in production allowed by the county and or state.

A CURRENT ACCURATE CANNABIS WATER USE STUDY IS NOT YET ON RECORD. This paper will show that crops need to be measured volumetrically in gallons/day/pound if we are to be able to analyze the impact of cannabis on the water supply. Humboldt Growers Collective encourages all growers from Humboldt to submit to Humboldt Growers Collective

R-235

their own water studies so that we may begin building a database of pertinent water information for our county.

Our current accepted system of growing cannabis encourages growers to remain at peak water consumption during the months that the aquifer is most in danger of collapsing.

Our hypothesis is that if we grow more and smaller plants while finishing them over a shorter life cycle, we can greatly reduce the total number of gallons it takes to grow a pound of cannabis.

Furthermore, cannabis does not need to be grown during the dry months at all.



More plants per square foot = a shorter life cycle = less total water used per pound grown.

#### METHODS:

This study compares two gardens over a 5 year period from 2010-2014. We are presenting results as the 5 year average. Our test groups were a contrast of two very different growing techniques. Our prediction was that we could ascertain the high and low rates of cannabis water consumption. Our intent is to present these findings as a way to navigate the “cannabis water use issue.”

The various coefficients considered were:

- soil volume/surface area ratio: what is the ratio of soil, to surface area, to water consumption, to pounds yielded?
- soil density: does the soil contain a wetting agent? how does it distribute(utilize) the water?
- type of containment: what percentage of water is lost? what percent actually gets used by the plant?
- seed starts vs clone starts: Is there an advantage to one over the other?
- total area occupied by a “unit”: The subject unit varies in size between the two groups. the question is. ”how many cubic feet does a pound of cannabis require?”
- water application and distribution: how is the water distributed?
- equilibrium: is the plant taller than it is wide? do plants proportions affect its metabolic rate?
- evapotranspiration ratio: larger plants evaporate and transpire more than smaller plants. do they do it as efficiently?
- plant hydraulics: amount of energy expended in pumping action per vertical inch of plant mass.
- production biomass vs. support biomass ratio: what percent of the total plant mass is “produce”? what percent of total mass is there to support the produce?
- harvest process: how laborious was the harvest process?
- product quality: does it decline in relationship to the plant’s overall biomass?

For our control group, we used the current model supported by the state, county and local environmentalist groups. Current belief is that this system will effectively limit cannabis cultivation and therefore water consumption. The emphasis on this system is on low plant

R-235  
cont'd

count. This encourages the grower to run crops “full term” in hopes of maximizing yields, encouraging peak water consumption during the most impacted months.

This control group is the “Traditional 215” outdoor method, involving full term plants, 6 feet tall, with 99 plants in a garden. These plants are caged and tied vertically. We used the following equation to determine the control group’s consumption:

Total gallons/180 days = x / total yield = gallons/day/pound.( x = the average number of gallons consumed per day)

The particulars of this method are listed below:

- 6 month crop: beginning April 15th and ending October 15th
- 100 gallon pots on 12 ft. centers. Total area of garden: 14400 sq. ft.
- 100 gallons of soil with wetting agent (surface area 12 sq. ft.) (8.3 gallons of soil per sq. ft. of surface area)

-1 clone per pot on 12’ ft. centers. (Each unit area taking 144 sq. ft.)

- water was administered by hand with a hose. Exact bed by bed measurements were taken.

For our test group, we chose the most efficient system we could find. The parameters in this system are open-ended. This encourages the grower to run the most efficient crop they can. It allows the grower to get similar yields without growing during the dry season when the aquifer is at its low point.

This test group is based on the greenhouse light deprivation method involving short term clone plants, 3 feet tall. These plants are woven through a horizontal trellis netting system. We used the following equation to determine the control group’s consumption:

- Total gallons/90 days = x divided by total yield = gallons/day/pound.(x = average gallons consumed per day)

The particulars of this method are listed below:

- 3 month crop: beginning April 15th and ending July 15th
- 5’x5’ beds 8” deep. Total area of garden: 4000 sq. ft.
- fully lined and contained beds
- 150 gallons of soil with wetting agent (surface area 25 sq. ft.) (6 gallons of soil per sq. ft. of surface area)
- 6 clones per bed with 3 ft. isles. (Each unit area taking up 40 sq. ft.)
- Water was administered by hand with a hose. Exact bed by bed measurements were taken.

## RESULTS:

The first graph below charts the weekly water consumption per container for the term life of the control group.. The vertical axis is gallons used per week, while the horizontal axis is a week by week timeline.

Grow Period from April 15th to October 15 (approximately 180 days)

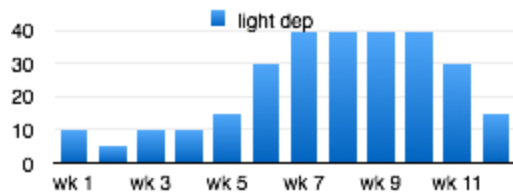
R-235  
cont'd



Total number of gallons used is 787 / 100 gal container / over 180 days  
average yield was 2.5 pounds per container.

The second graph below charts water consumption per bed for the term life of the test group. The vertical axis is gallons used per week, while the horizontal axis is a week by week timeline.

Grow Period from April 15th to July 15 (approximately 90 days)



Total number of gallons used is 315 / 150 gal bed / over 90 days  
average yield was 2.0 pounds per 25 sq. ft. bed.

#### OBSERVATIONS:

##### Control group:

- used 787 gallons per plant (unit)
- yielded 2.5 pounds per plant
- it took 315 gallons of water to grow one pound
- it used 4.375 an average gallons of water a day per plant (unit).....It was not 22.7 litres or 6 gallons.
- it took 1.75 gallons a day for approximately 180 days to grow a pound given these conditions.
- this group was laid out like an orchard (12 ft. centers) to keep one plant from shading another.
- this group took considerable work involving ladders
- the pot and surface soil were exposed to the sun
- half of the plant was always in the shade
- most of the plant matter(biomass) appeared to be infrastructure or support. Only 30% of the biomass was actual produce.
- the maintenance and tying was a lot of work – often involving cages
- it consumed the most water from mid-July to mid-September – right when the aquifer is low.
- it was harvested over two weeks in three stages.
- there were three distinct levels of quality: A (top buds), B (next tier, medium buds), and C (popcorn buds.)
- drying and curing were difficult in October during the rainy season. There were losses to mold.
- the crop was harvested when competition for sales is at its worst and prices are at their lowest. It

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did not sell until spring. It had to be stored for the winter. There was no money to pay the bills. There was no money to pay the employees. There was no money for Christmas.

Test group:

- used 315 per bed (unit)
- yielded 2.0 pounds
- it took 158 gallons of water to grow one pound
- it used 3.5 gallons a day per bed (unit).....almost a gallon a day less!
- it took 1.75 gallons a day for approximately 90 days to grow one pound.
- the beds did not shade each other
- all the work was at counter height. No overhead work. No work on ladders.
- the plants shaded their own soil
- the shallow soil seemed easier for the plants to utilize
- no part of the plant was in the shade
- most of the plant matter(biomass) appeared to be product not infrastructure. 70% of the biomass was product.
- once the initial netting was installed for the tie down there was no tying or support maintenance.
- it was harvest by early July so it never impacted the aquifer during the “red” months
- it was harvested in one day and in one stage (top bud only)
- there was one distinct level of quality: AAA top buds (control group never achieved this level of quality)
- this crop was harvested in July. It took no energy to dry it passively and there was no loss to mold.
- this crop was harvested early enough to sell at the peak high price for the season. The entire crop sold by October 1st; all the bills were paid and everyone got Christmas bonuses.
- this crops carbon footprint was considerably lower than the full term crop.

## DISCUSSION:

Dividing the total number of gallons used for “one unit’s” life cycle by the total number of days in the life cycle gives us the number of gallons used per day (x). Dividing the number of gallons used a day by the number of pounds per unit gives us the number of gallons per day per pound.

Total number of gallons / total number of days = x

Control group = 787 gals / 180 = 4.375 gals/day used / 2.5 lbs. = 1.75 gal / day /pound

787 gals / 2.5 lbs. = 315 gals / pound

Test group = 315 gals / 90 = 3.5 gals/day used / 2 lbs. = 1.75 gal / day / pound

315 gals / 2 lbs. = 158 gals / pound

Some comments on the various coefficients considered are listed below:

- Soil volume/surface area ratio: a low soil volume to a high surface area ratio allows the plant to breath, better utilize the soil volume, and distribute water more evenly.
- Soil density: soils that contain wetting agents distribute moisture evenly, always accept water after drying, and may be recycled indefinitely. Heavy soils retain water at the bottom of the bed or pot while drying out on top. Heavy soils do not re-accept water after drying. Heavy soils must be

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replaced annually.

- Type of containment: plastic lined beds contain 100% of the water. Uncontained beds “bleed” from over watering and osmosis.

- Seed starts vs clone starts: seed starts are hearty, have a deep root system, strong upper structure, and use much more water. Clone starts are weaker, have shallow root system, weak upper structure, and use much less water.

- Total area occupied by a “unit”: the stand-up plants require a large area around them to stop them from shading each other. In this study the area was 144 sq. ft. per “unit”.

A great advantage to the stand-up plant is it can be grown on uneven ground. The light deprivation greenhouse requires level ground. The dep. bed occupies 40 sq. ft. per “unit”. The dep bed garden requires 30% of the space required by the stand-up plant garden.

- Water application and distribution: although automated systems are much more efficient and dependable, in this study, water was administered by hand and measured. This insured that no water was lost in the process.

- Equilibrium: a plant’s proportions significantly affect its metabolic rate. Tall, skinny plants metabolize inefficiently, while short, wide plants metabolize efficiently.

- Evapotranspiration ratio: larger plants evaporate and transpire more than smaller plants

- Plant hydraulics: energy expended in pumping action per vertical inch of plant mass. Stand up plants expend a lot of energy just supporting their upper structure.

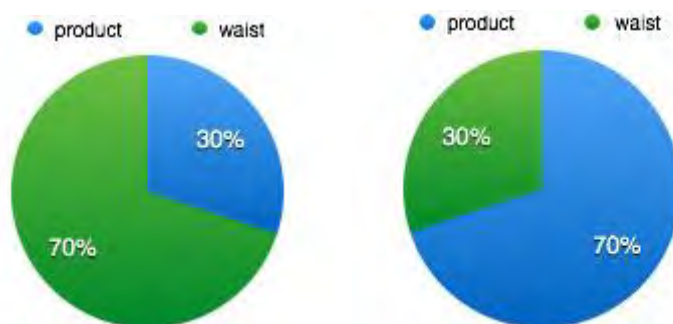
- Production biomass vs. support biomass ratio: the stand-up plants are about 30% viable product and about 70% support structure. The opposite is true for the dep plants; they are 70% viable product and 30% support structure.

- Harvest process: the stand-up plants took 2 weeks to harvest. The crop was never ready all at once. The greenhouse light deprivation plants were already at the same time and took one day to harvest.

- Product quality: the stand-up plants had levels of quality: A,B,C. The highest quality of the stand ups never compared to the AAA quality of the greenhouse light dep cannabis.

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As plants get larger, the amount of water utilized for one pound becomes larger in order to sustain the additional biomass of the “support system”. The first pie chart below shows the ratio of energy expended by the control group (30% product/70% support). The second pie chart illustrates the test group results (70% product/30% support).



Product quality is directly related to this ratio. As the ratio of marketable product goes down in relation to biomass so does product quality.

CONCLUSIONS:

We believe that, paradoxically, more plants equal less water use. A higher plant count fills the soil volume faster, and, with light deprivation techniques, we can yield the same or more per year and use significantly less water.

Cannabis does not have to impact the aquifer during the dry months. The traditional method is at peak water consumption from August to October – the driest months of the year. The greenhouse light deprivation method does not consume any water during these months.

Humboldt county can raise cannabis quality dramatically and cut water use in half by moving towards light deprivation greenhouse growing.

As biomass increases past the point of “equilibrium” (when the plant grows taller than it is wide) cannabis reverts to a more “hemp like” product, resulting in a significant decrease in quality. As biomass increases past the point of “equilibrium”, the percentage of water utilized for gain decreases significantly, while the percentage of water diverted to support biomass increases significantly. This “volumetric equation for biomass” incentivizes the Humboldt grower to use less water!

Finally, our concern is that a gross overestimate of water consumption will unfairly restrict Humboldt farmers. Faulty assumptions about Humboldt water use will also result in regulations that create a reduction in production and, therefore, market penetration. We do not hear anyone trying to restrict almond growers, but almond groves consume far more water than cannabis gardens. Let us base water use regulations here in Humboldt on common sense – talk to the farmers!

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## Cannabis Cultivators' Report on Water Usage

Marijuana Venture September 23,, 2015

By Swami Chaitanya

<https://www.marijuanaventure.com/report-on-water-usage/>

The Mendocino Cannabis Policy Council, along with the Emerald Growers Association, has polled numerous cannabis cultivators about their water usage. From these results, with great help from Casey O'Neil, we derived a formula which is: one gallon per day to produce one pound of cured cannabis flower buds (1:1:1).

So how much water does cannabis really use?

Our canvassing indicates that most cannabis farmers grow plants that average between two and four pounds. One-eighth of an acre (50 feet by 100 feet with 50 cannabis plants) would use 24,000 gallons per season (about eight months or 240 days). This would result in producing 50 two-pound plants and using 480 gallons per plant. A two-pound plant divided into eighths of an ounce yields 256 eighths. Thus, the whole garden with 50

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plants would produce 12,800 eighths of an ounce. (For the purpose of this article, an eighth of an ounce is being used as a standard retail unit comparable to one pound of beef, one bottle of wine or one can of almonds.)

Each eighth then requires 1.875 gallons of water (24,000 gallons divided by 12,800). It has been widely reported that producing a pound of beef requires at least 1,500 gallons of water. Wine uses between 180 and 400 gallons per bottle\*. Almonds need one gallon per nut or about 100 gallons per can, broccoli takes about five gallons per head and avocados about 75 gallons per pound.

But, wait! The same plant that produces two pounds of cured, finished flower buds also produces at least half a pound of “smalls” which farmers and dispensaries often donate to needy patients, sell at a steep discount or consume themselves. It will also produce at least half a pound of trim shake. The leftover smalls and shake can then be processed to make concentrates, edibles, tinctures, salves, oils, etc. All that additional product, all that value added, with no additional water required.

The California Department of Fish and Wildlife published a report on cannabis growing in Mendocino and Humboldt counties, highlighting three typical valleys. The department concluded that there were about 26,000 plants in Outlet Creek Valley. The implied conclusion, based on an assumption of six gallons of water per day per plant, was that cannabis was drying up the creeks.

A closer analysis points to a different result. Using Fish and Wildlife numbers, which most farmers consider too high; six gallons a day for the peak growing season of 150 days of summer means water use of 900 gallons per plant. This is the same water use as a 3.75-pound plant for 240 days, in our 1:1:1 formula, which would require about two gallons per eighth-ounce. If there were 400 sun-grown plants in an acre, 26,000 plants need 65 acres.

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## Appendix Section B – RA - Rural

RA - Rural Letter No. 1

RA - Rural Letter No. 2

RA - Rural Letter No. 3

RA - Rural Letter No. 4

RA - Rural Letter No. 5

### RA - Rural Letter No. 1

Gary M. Baker

[REDACTED]  
Grass Valley, Calif 95949

February 19, 2018

Honorable Ed Scofield, Chairman  
Nevada County Board of Supervisors  
959 Maidu Avenue  
Nevada City, CA 95959

Regarding: Cannabis Cultivation in RA-Rural Zones

Dear Chairman Scofield,

In response to the Board of Supervisors discussion on February 13, 2018 regarding cannabis cultivation in the RA-Rural zones in the county, the following information is provided for your review and consideration. I have attended 9 of the CAG meetings and all of the Board meetings over the past several years and have witnessed the evolution of the commercial cannabis dialog in the county. There are many parcels in the RA-Rural zone over 5 acres that should be considered in the commercial cannabis licensing program, providing that those activities do not interfere with adjacent smaller lots which are perhaps more residential in nature.

### Background

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The CAG recommendations included RA zones for commercial cultivation. The Board has utilized the CAG recommendations for all other zones but has neglected to include RA-Rural zones for commercial cultivation, based on an assessment that these lots are more residential in character than AG zoned lots. In truth it varies.

The current cannabis ordinance (Ordinance 2416) treats RA-Rural the same as the AG, AE FR and TPZ zones for plant counts and setbacks.

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## Discussion

The RA-Rural zone allows for various agricultural uses which exactly match the uses allowed in both the AG and AE zones in Nevada County. Agricultural operations and natural resource related uses and residential uses are of equal importance in the county general plan for the RA-Rural zones while agricultural operations are of primary importance in the AG and AE zones. Allowable uses include private greenhouses, packing facilities for products grown onsite, wholesale plant nurseries, field retail stand and farm stand, crop and tree farming and wineries. Other than the designations of equal importance or primary importance, the zones are the same as far as allowable agricultural uses and residential uses. Realistically, residential units located in any agricultural zone have the potential to be impacted by outdoor cannabis cultivation. Adequate setbacks from property lines and adjacent residential structures are one way to help mitigate the impacts of cultivation. Another very effective way is to enclose the cannabis cultivation in a greenhouse.

Cannabis cultivation on parcels of 5 acres or more (land zones RA-Rural) with setbacks consistent with other agricultural zoned properties would likely have minimal to no impacts on neighbors if the cannabis grow site were enclosed in a greenhouse with an odor control system. Odors from outdoor cultivation are the main complaint from neighbors and are not exclusive an exclusive problem to just the RA-Rural zoned parcels in the county. With proper controls in place, commercial cannabis cultivation should be considered in the RA-Rural zoned portions of the county on lots of adequate size. Parcels smaller than 5 acres in size which meet the setback requirements could also be considered, if the commercial cannabis was cultivated in an odor controlled greenhouse.

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The following recommendations for canopy and lot size are consistent with state licensing categories. Mixed light is separated into either Tier 1 or Tier 2, with Tier 1 using 6 watts or less per square foot of canopy and Tier 2 using between 6 watts and 25 watts. Mixed-Light cultivation allows the state licensed grower to cultivated more than 1 crop annually. Greenhouse grown plants may obtain a higher price than outdoor grown plants, which helps offset the addition costs of electrify and greenhouse construction costs. Greenhouse grown plants without lights would be considered outdoor grows for state licenses and would need to contain odor control systems.

## Proposed allowable grow sizes in the RA-Rural zones

- A Specialty Cottage Mixed-Light cultivation site with 2,500 square feet or less of total canopy on parcels of 5 to 10 acres in RA-Rural zones
- A Specialty Mixed-Light cultivation site between 2,501 and 5,000 square feet of total canopy on parcels of 10 to 20 acres in RA-Rural zones
- A Small Mixed-Light cultivation site, between 5,001 and 10,000 square feet of total canopy on parcels of 20 acres or more in RA-Rural zones
- Commercial outdoor cultivation would be prohibited in the RA-Rural zone except in a greenhouse with an odor control system
- Personal use outdoor grows would be allowed based on parcel size

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Respectfully,

Gary M. Baker, Partner  
Plan-aire Landscape Architects and Planning  
[gary@plan-aire.com](mailto:gary@plan-aire.com)

## RA - Rural Letter No. 2

Gary M. Baker  
[REDACTED]  
Grass Valley, Calif 95949

April 27, 2018

Honorable Ed Scofield, Chairman  
Nevada County Board of Supervisors  
959 Maidu Avenue  
Nevada City, CA 95959

Regarding: Cannabis Cultivation Draft Ordinance

Dear Chairman Scofield,

Almost 2 years have passed since the defeat of Measure W and after numerous meetings with the Board of Supervisors and six months of meetings with the Community Advisory Group (CAG), last Thursday County staff has finally released a Draft Cannabis Ordinance. The tone of the resulting document is not only adversarial and insulting to

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growers; the content is disturbingly more restrictive than any previous County regulations and ultimately shows a bad faith effort to implement any of the feedback that the growing community and the CAG members have offered during this lengthy process. In addition it treats growers virtually as criminals in denying them their 2<sup>nd</sup> Amendment rights as a condition to obtain a County permit, and places new restrictions on residents for the personal cultivation of 6 plants or less contrary to what voters thought they approved in the passage of State Proposition 64 in 2016.

The cannabis community has worked with this Board diligently and respectfully over the past several years to build bridges and develop a workable permitting program which would allow regulated businesses' to obtain State licenses to grow and legally distribute products to other licensed entities. Quality and price are the main determining factors in the purchase of any product, and the product quality of cannabis grown in Nevada County is considered some of the best in the State. However, by severely limiting the size of cannabis growing sites to only large AG parcels, it not only favors elitism, it locks at least 90% of the existing growers out of the process. Cultivation sizes recommended in the CAG report were strongly supported in the local community and the traditional smaller growing areas, as compared to many of the huge sites in other counties, would conceivably allow local cannabis cultivators a better chance in the marketplace.

Cannabis has been part of the Nevada County landscape for over 40 years and the majority of citizens support regulated cannabis cultivation. We are all aware of drug cartels operating cannabis farms illegally and of environmental damage caused by some bad actors, but the vast majority of cannabis cultivators are good citizens of this community and volunteer countless hours to improve this community. Cannabis cultivators are not just young upstarts trying to make a quick buck. Growing cannabis is hard work and most growers are people, who are conscientious, passionate and knowledgeable about their craft. These growers are looking to support themselves and their families (or in many cases are in retirement) by operating small cannabis farms. Because of the favorable weather and reasonable access to water, Nevada County is a prime location for cultivating cannabis outdoors. Reasonable regulations which allow for a transition from a totally unregulated environment into a licensed market are consistent with the goals of both the majority of the growers and the residents of the County. Creating rules where only a small fraction of parcels can qualify for a 10,000 square foot license, benefits wealthy land owners, yet drive the honest working class out of business or back into the shadows. By creating overly restrictive regulations and asserting assumptions that everyone involved in cannabis are criminals, does not achieve these goals, and more importantly is contrary to the spirit of the community process that has been underway the past 2 years.

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## Comments of Specific Sections of Draft Cannabis Ordinance

**Sections G, H, I, J, K, L, & M** all point to derogatory impacts of cannabis cultivation and clearly represent the actions of a small minority of cannabis cultivators operating in this county. By introducing these types of statements in the Cultivation Ordinance, the County is again setting up a situation of confrontation instead of one of reconciliation with the cannabis community. This is not a nuisance ordinance, but rather an ordinance to locally permit cannabis cultivation. Perhaps County staff could refer to adopted ordinances in Santa Barbara, Monterey, Humboldt or Mendocino Counties for professional language utilized in a drafting a cannabis ordinance.

The language contained in the ordinance is important and should recognize that licensed cultivation operations are important for the County. Currently there are between 3,000 and 3,500 cultivation sites in Nevada County and on average 2.3 people are employed seasonally at each site, and during harvest and trimming these numbers are higher. (Statewide the average is 3.2 workers per site according to published data, but the 2.3 figure was used here for a more conservative estimate) This indicates that collectively, cannabis cultivators are the largest employer in Nevada County. In addition to the growers, there are material suppliers, green house manufactures, soil vendors and numerous other businesses including hardware stores and equipment rentals that support the industry. Many of these businesses have been operating locally for a long time. If we estimate that there is only 5% of the number of supporting businesses as there are cultivators that would mean that there at least 150 to 175 supporting businesses directly tied to cannabis. If each operation employed only 2 people, 300 to 350 supporting jobs are tied directly to cannabis cultivation. If part time staff were included, another 300 to 350 people may be filling jobs in these supporting business operations. Total employment in the cannabis sector, at least seasonally, is likely in the range of 7,200 to 8,750 people, plus the seasonal workers during the harvest and trimming stage, and most of these are Nevada County residents. This would represent that between 7.3% and 8.9% of the total population of the County is currently involved in the cannabis industry if all cannabis workers resided in the County. (If the 3.2 workers per site were used in these calculations, between 10,000 and 11,500 people are currently employed locally in the cannabis sector)

From an economic perspective, statewide there are about 68,000 cannabis farms which collectively produce about 13.6 million pounds of cannabis, which averages about 200 pounds per cultivation site. If cannabis were selling for \$800 per pound, and there were 3,000 cultivation sites,  $(3,000 \times 200 \times \$800) = \$480$  Million Dollars in gross sales for just cannabis cultivation in the County. Much of this revenue is spent locally and many of these cultivators grew up here or have been long term residents. Many have kids in the

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local schools and are not in any way associated with the criminal element that was referenced in the draft ordinance.

Even if only 1,000 cannabis cultivation permits were initially issued and permit fees were \$500, \$500,000 would be generated annually for the County. Add to that a modest \$3.00 per square foot cultivation fee (which requires voters' approval as a new tax), and assume the average permitted site is 5,000 square feet, (1,000 x 5,000 x \$3.00) \$15 million additional dollars directly from cannabis would be added to the County treasury each year. Additional sales taxes would also be generated. Cannabis revenue from permitted grow sites would offer very positive benefits to the County, and as more grow sites transition to a permitted and regulated environment, County revenues would continue to rise. Permit and cultivation fees are paid annually, so the County is potentially looking at a minimum of \$155 million in new revenue over the first 10 years, with just the first 1,000 permits.

Other alternatives to generate more substantial revenue for the County would require significant new development and considerable investment capital. Without providing major increases in housing, which most County residents do not support, major new employers will not be attracted to Nevada County. Regulated cannabis businesses do not require big infrastructure projects, can be limited to lots of adequate size, can protect neighbors with odor prevention controls and perhaps most importantly, most of these businesses are already here if the County can only recognize that and embrace it.

According to the latest Gallop Poll, 64% of Americans want to see cannabis legalized on the Federal level and completely removed from the Scheduled List of dangerous drugs. Last week a new Senate minority leader Chuck Schumer announced his intention to decriminalize cannabis federally and the previous week President Trump promised that he will support congressional efforts to protect states that have legalized cannabis. Considering the political shifts of attitude toward cannabis federally and the national support of citizens to completely legalize the use of this plant, it makes no sense whatsoever to create an ordinance where the hard working members of the cannabis community are treated so unfavorably, particularly in a community with such a long established cannabis heritage.

**In Section R of the Draft Ordinance it states:** "In an effort to gather community input on future cannabis regulations in the County of Nevada, a third-party, neutral facilitator was retained to selection and facilitate 10 meetings of a Community Advisory Group charged with making recommendations for commercial cannabis cultivation regulations to the Nevada County Board of Supervisors. The CAG's report was presented to the Board of Supervisors on January 9, 2018."

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The panel members represented a cross-section of varying interests and there was solid community input at each meeting. Through an electronic voting system, information was obtained from the CAG Members a number of cannabis questions including the size of cannabis grows, location (zoning) where the grows should be allowed, setbacks, and minimum lot sizes for the cannabis cultivation. Strong agreement was reached by the CAG Members for allowing “Specialty Cottage” cultivation in areas zoned AG, AE, FR and RA with a 5 acre minimum lot for outdoor commercial cultivation. The CAG Members also reached strong agreement for allowing commercial cultivation in areas zoned AG, AE, FR and RA for the “Small Outdoor” category, requiring a minimum parcel size of 10 acres.

**These issues were thoroughly discussed over months of meetings and the recommendations by the Community Advisory Group regarding the applicable zoning, lot size and grow size were completely ignored in the Draft Ordinance!** This input should not be discarded. The Board of Supervisors should incorporate the final CAG recommendations related to grow size, lot size and zoning into the Final Cultivation Ordinance. Six months of effort by the panel as well as \$150,000 of Nevada County taxpayer dollars went into creating the report along with significant staff time and community input at every meeting. Citizens and CAG Members volunteered many thousands of hours developing reasonable cultivation standards in an open process which was supported by the Board of Supervisors. Establishing the CAG process delayed developing a cultivation ordinance by at least 6 months, along with the further delay of the preparation of an EIR, which could have been accomplished in time for State issued permits for the 2018 growing season. By ignoring the CAG recommendations, all the money and time spent was just a wasted effort.

**RA – Rural is identical to AG as far as what allowable uses are permitted as can be verified by just reading the text in the County Zoning Code.** According to the Draft Cultivation Ordinance all options to gain a cultivation permit require a residence on a lot regardless of zoning. This really means that all lots are residential in some form no matter what the underlying zoning, for the purpose of obtaining cultivation permits in the County. Outdoor cultivation on any lot, especially those less than 5 acres, have more of a potential to impact adjacent properties regardless of zoning, than a cultivation site using a greenhouse or an indoor cultivation site with an odor control system. Yet sometimes even smaller lots have topography or other physical features that might mitigate and nuisances. RA-Rural zoned properties of adequate size have always been included in past cannabis ordinances in the County and are included in the CAG recommendations. **RA-Rural properties are different than RA-Estate, R-1, R-2, or R-3 lots, and have always been treated separately. The RA-Rural designation provides for agriculture as an equal use to residential.**

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**Personal Use** which allow for up to 6 plants for personal use, as adopted by the voters of the State, should not require any registration with the County. Personal Use cultivations as required in the new Draft Ordinance should not be subject to inspections or fees and the only time an Enforcing Officer should visit a Personal Use site is in the event of a neighbor's complaint for smell, location of plants or evidence that more than 6 plants are being grown on the site.

**Penalties** outlined for violations of the Cultivation Ordinance are excessive and far exceed what could be considered reasonable, unless illegal water diversion, environmental destruction as a result of cannabis cultivation was occurring on a site. Of the five largest counties that permit cannabis cultivation, none of them have such high penalties as being proposed in Nevada County. In addition, allowing the County to foreclose on someone's home to collect these fees is purely an abuse of power and should not be permitted.

**Finally there is the issue of firearms**, and the clear violation of responsible American citizens 2<sup>nd</sup> Amendment rights, being proposed which require the forfeiture of any personal firearms in order to obtain a County Cultivation Permit. Furthermore, all cannabis permit holders are subject to background checks prior to issuance of a cannabis cultivation permit so anyone with a felony conviction would have a difficult time qualifying for a license in the first place. This proposed firearm restriction is not included in either the State license program or in Santa Barbara, Mendocino, Monterey or Humboldt Counties. Furthermore, this language was not included in any previous Nevada County Cultivation ordinance, nor has any similar firearms restriction been found in other counties where cannabis ordinances have been adopted. How could such a measure even be enforced by the County? Without a search warrant and complete home search for every applicant for a cultivation permit, how would this be requirement even be verified, and is this gun grabbing scheme even legal to begin with? Are complimentary strip searches of the residents also included? Even with a search of someone's home, wouldn't any enforcement or inspection officer just assume that there was a firearm on the premises anyway?

Banks and liquor store owners don't have to surrender their firearm to get a business permit, and they are subject to robberies as are many other types of business in this County. By requiring cannabis cultivators to forfeit firearms, and then publicly listing the locations of license holders, cannabis cultivators would find themselves in a much higher risk situation and more than likely make them attractive targets. Criminals use guns. Law abiding citizens have a constitutional right to protect themselves and their families in their homes and should not be treated differently than any other business owner.

This entire requirement for surrendering firearms as a condition to obtain a local cultivation license must be removed from the Cultivation Ordinance.

R-239  
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Respectfully,

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Plan-aire Landscape Architects and Planning  
[gary@plan-aire.com](mailto:gary@plan-aire.com)

Cc: Heidi Hall, Dan Miller, Hank Weston, Richard Anderson

Gary M. Baker  
[REDACTED]  
Grass Valley, Calif. 95949

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### **RA - Rural Letter No. 3**

May 5, 2018

Honorable Ed Scofield, Chairman  
Nevada County Board of Supervisors  
959 Maidu Avenue  
Nevada City, CA 95959

Regarding: RA-Rural Zoned Properties and Cannabis Cultivation Draft Ordinance

Dear Chairman Scofield,

After the last Board of Supervisors meeting on May 1<sup>st</sup>, you and I discussed the RA-Rural issue and you asked me to put my thoughts down on paper and send them to you. I have assembled the salient points herein.

Firstly, one issue that has not been discussed with regard to RA-Rural lots is the “character” of the neighborhoods. While there is always some variation in land character depending on elevation and micro-climate, the fact is that there is a spacious quality to the land in these zones that you don’t find in “Residential” neighborhoods. “Residential”

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parcels are not only smaller, but there is no practical way to use them for any other purpose. In RA-Rural zones the topography and vegetation is such that often even the smaller 2-3 acre lots are very private, and our neighborhood off Retrac is a good example. Most outdoor grow sites cannot be seen from the street or by adjacent neighbors, and it is frequently hard to tell who is growing and who isn't. The fact is that each property has its own unique characteristics and more often than not most nuisances are entirely mitigatable, as any good landscape architect will tell you. My wife is a landscape architect and she is very vocal on the subject here at home. Furthermore, you may find a 2 acre site adjacent to a 10 acre site (or even a 40 acre site) and it is this mixing of parcel sizes that not only adds considerably to the openness, it makes the characterization of these areas as more "Residential" than AG lots a false argument in my opinion. Sadly, "one size fits all" ordinances don't not leave room for discretion over determining the cannabis growing suitability factor over individual sites.

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## RA Rural Zoning

In the County zoning ordinance the following definitions are provided for the different parcel types found in the RA zones:

"Within Rural General Plan designations, agricultural operations and natural resource related uses and residential uses are of equal importance." RA-Rural zoning

"Within the Residential and Estate General Plan designations, the single-family dwelling is of primary importance and agricultural uses are Secondary." RA-Estate and RA-Residential zoning

It is clear from the definitions above, RA-Rural properties are more than residential and allow for commercial land uses similar to what is allowed on AG zoned parcels.

The following Land Uses allowed in RA Rural zoned areas are not allowed in other Residential Zones

- Cemetery
- Agricultural uses and structures including, but not limited to, equipment storage structures, packing facilities for products grown on-site, wholesale plant nurseries, private stables
- Field Retail Stand and Farm Stand
- Certified Farmers' Markets
- Stables, commercial
- Wineries
- Wildlife Rehabilitation Facilities
- Woodyard
- Communication Towers

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These uses clearly relate to the rural character of the areas and the zoning ordinance is very clear about the agricultural designation.

## Definitions of Residential Neighborhood

- Cambridge Dictionary: Residential of or relating to houses where people live rather than place where they work.
- Merriam – Webster: Definition of Residential: used as a residence or by residents, restricted to or occupied by residences – a residential neighborhood
- Longman Dictionary: Residential, a residential part of town consists of private houses with no office or factories
- Business Dictionary: Residential, describing an area primarily used for housing
- Bankrate: Residential real estate is an area developed for people to live on. As defined by local zoning ordinances, residential real estate cannot be used for commercial or industrial purposes.

There is a consistency in all of these definitions that makes a residential neighborhood distinctly different than rural neighborhoods where commercial activities are allowed.

## Discussion on RA-Rural Zones

It is clear that in all definitions that the residential use predominates any other land use and that RA –Rural designated zones are not true residential neighborhoods since they are not primarily residential areas as defined due to the commercial activities which are permitted within these neighborhoods which are not allowed in other residential areas.

Not all RA-Rural properties are adjacent to primarily residential areas. Several planned communities exist which include RA-Rural zoned parcels. In the instance of Alta Sierra, Lake of the Pines and Golden Oaks, homeowners associations with CC&R's provide restrictions which control property uses regardless of the underlying zoning. These communities have the ability to legally control behavior and can elect to not allow commercial cannabis cultivation on properties within the boundaries of their homeowners association consistent with their by-laws.

The current zoning ordinance (ordinance 2416) treats RA-Rural designated parcels the same as parcels in the AG, AE, FR and TPZ zones, relating to cultivation of cannabis with the same plant counts, lot size requirements and setbacks. The CAG recommendations also included RA-Rural properties along with AG, AE, and FR zoned

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properties for appropriate locations for commercial cultivation with the same size limits, setbacks and lot size requirements. Again, there is a consistency in how people are interpreting zoning and appropriate uses.

Many landowners in RA-Rural, AG, AE and FR properties have made considerable investments in infrastructure, greenhouse and supporting materials for the purpose of cultivating cannabis on a commercial scale. This work has included the preparation of business plans, obtaining permits from the State Water Board, hiring of consultants for biological resource assessments, attorneys or consultants for assistance with State permits, tax consultants and numerous other tasks relating to establishing licensed cultivation enterprises consistent with State law.

Since the passage of Ordinance 2416 in July of 2016, which is still currently in effect, the RA-Rural designation is still included along with AG, AE and FR zoned properties as allowable locations for certain size cannabis cultivation activities. If the Board passes an Emergency Ordinance on May 22, 2018, it is our current understanding that the existing ordinance 2416 will be passed as an Emergency Ordinance as it is currently written, which would include RA-Rural zoned properties.

Deleting RA-Rural from commercial cannabis cultivation will surely create a financial hardship on many property owners with this zone. The RA-Rural landowners are not residential by definition and the allowable uses on their properties have always been the same as what is allowed on AG parcels relating to cannabis cultivation. These property owners have no reason to suspect that they will be excluded from the legal permitted structure for commercial cannabis business and they will consider it an ambush.

The RA-Rural issue affects thousands of people yet there has been no public hearing, no official findings presented, and no public comment period specifically conducted with regard to RA-Rural properties being eliminated from the permitted cannabis cultivation program within Nevada County. The financial impact of these decisions on these property owners could be significant as many have worked in good faith, like the property owners in other zones (AG, AE and FR), to comply with regulations that would allow participation in the State License system.

As shown in the table below, there are 1,514 parcels in the RA-Rural zoned areas which are greater than 5 acres in size. By combining the AE, AG, and FR zoned designations, there are a total of 9,455 parcels over 5 acres in size. The number of RA-Rural parcels is only 16% of the other three zones combined. Including the RA-Rural zoned properties in the EIR should not add significantly to the cost of preparing the document.

### **Parcels with Residences**

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**RURAL ZONING DISTRICTS- Minus Public Owned Parcels**

| <b>Zoning District (GP Des)</b> | <b>2 to 2.99 ac.</b> | <b>3 to 4.99 ac.</b> | <b>5 to 9.99-ac.</b> | <b>10-ac and &gt;</b> | <b>Total</b>  |
|---------------------------------|----------------------|----------------------|----------------------|-----------------------|---------------|
| AE                              | 2                    | 5                    | 12                   | 121                   | <b>140</b>    |
| AG                              | 1,261                | 1,539                | 3,432                | 4,131                 | <b>10,363</b> |
| FR                              | 118                  | 286                  | 653                  | 1,106                 | <b>2,163</b>  |
| RA (RES)                        | 273                  | 211                  | 104                  | 52                    | <b>640</b>    |
| RA (EST)                        | 902                  | 905                  | 533                  | 189                   | <b>2,529</b>  |
| RA (other/rural)                | 422                  | 588                  | 1,191                | 323                   | <b>2,524</b>  |
| RA Subtotal                     | 1,597                | 1,704                | 1,828                | 564                   | <b>5,693</b>  |
| <b>Total</b>                    | <b>2,978</b>         | <b>3,534</b>         | <b>5,925</b>         | <b>5,922</b>          | <b>18,359</b> |

Source: Nevada County GIS Parcel Layer 1/8/18

For parcel sizes that are less than 5 acres, the RA-Rural zoned areas contain 1,010 lots compared to 3,211 in the AE, AG and FR zones. The total lot count in the AE, AG and FR zones equals 12,666 while the RA-Rural zoned contains total 2,524 lots. Added together, the total number of lots in the RA-Rural, AE, AG and FR zones would equal 15,190 with the RA-Rural zoned lots representing 16.62% of all lots in these zones.

It is estimated that the County has about 3,000 to 3,500 existing cultivation sites of which a portion are located in RA-Rural zoned areas. These parcels are typically under the radar and therefore usually not located adjacent to residential areas. From a practicable standpoint, if the county is going to allow commercial cannabis cultivation it should be allowed in areas where the activity is currently occurring consistent with the current ordinance in place. By allowing the most number of existing cultivators to participate in the legally permit program, on lots that currently allow for cultivation, demands on enforcement would be reduced. If specific RA-Rural or other AG parcels are located near residential areas, a reasonable setback could be established like that used for schools, churches or day care centers or in areas of transition between one type of neighborhood and another.

All growers who have been engaged in the cultivation of cannabis, operating within the confines of an existing ordinance should have a chance of going legitimate and obtaining local and State permits. There will be plenty of growers who will not participate in the State and Local permitting process. By declining the opportunity to parcels where the activity is already established and operating under the existing rules, property owners could be financially damaged by new regulations which limit the economic use of their land.

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## Commercial Cannabis prior to 2018

Saying that commercial cannabis was not previously allowed in Nevada County is not accurate. Prior to the adoption of the new cannabis permitting system in January 2018, legal commercial cannabis businesses were operating throughout the State and in Nevada County under rules established in the Proposition 215. These legal commercial cannabis businesses generated about \$650 million of legal sales in the State in 2016. Many legal cannabis businesses have been operating in the RA-Rural, AG, AE and FR zones consistent with County rules pertaining to lot size, plant count and setbacks, and many have already obtained resale licenses from the State. These same “commercial” cannabis entities have filed documents with the Secretary of State establishing their businesses, obtained Federal Tax ID numbers, and paid income taxes on revenue from cannabis sales. It is clear that there is a serious interest by many growers in becoming legal and in compliance with the new State laws.

On a personal note, we formed an entity with the State and obtained our resale license to comply with the law and have commercially cultivated cannabis on our 7.5 acre property located in your district. We are zoned RA-Rural and have over \$60,000 invested in our cultivation business and have operated within the parameters of the existing cultivation ordinance. Our lot size should allow for 2,500 square feet of cultivation which is less than 1% of our total land area. We are among those who feel blindsided by recent efforts to deny people in RA-Rural zones the opportunity to obtain a State Cultivation license and are angered by the attempt to take from us our retirement income.

Cannabis cultivation has occurred in Nevada County for many years and previous ordinances have defined where cultivation should occur. Our property has been included in these approved areas, which is why we made the investment in our operation. To arbitrarily remove our land and yet allow other similar properties the rights to cultivate is discriminatory, lacking in due process, a “taking” of our rights to use our property, and a violation of our trust in local government. Personally we would be significantly damaged by these actions as will many others in the RA-Rural zone. Selectively taking away some owners rights to use their property while allowing others to retain rights, is not fair and speaks of favoritism, especially considering both types of properties are currently allowed the same commercial land uses.

We live in your District and humbly ask you to review this situation being proposed for RA-Rural lots. We would also like to extend an invitation to you, to come out to our property so that you can better understand the character or neighborhood and see firsthand our minor operation.

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Please include the RA-Rural zoned parcels over 5 acres in size in the EIR and allow for commercial cannabis cultivation consistent with the canopy areas as allowed on AG, AE and FR parcels on those parcels which meet the setback requirements.

Respectfully,

Gary M. Baker, Partner  
Plan-aire Landscape Architects and Planning



**Final Note:** Of the 68,000 cultivation sites in California, only about 2.2% of these sites have applied for Temporary Cultivation permits to date. While some 3,000 permits have been issued so far this year, about half of these permits have been issued for new facilities and not for existing operations. Many cultivators are located in jurisdictions that do not have local ordinances permitting cultivation, while others are waiting in line for local approvals so they can submit applications to the State. The State annual permitting process, which has not yet been implemented, is cumbersome and expensive and many applicants may never obtain a State permit even with local agency approval. But quite frankly the vast majority of growers will probably never seek a permit. Those growers who want to participate in the legal market should be given every chance to do so, because the alternative is the unregulated market, where we are forced to spend valuable resources are mitigating environmental damage and abating illegal cultivations.

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#### RA - Rural Letter No. 4

Gary M. Baker  
  
Grass Valley, Calif. 95949

May 19, 2018

Honorable Ed Scofield, Chairman

R-242

Nevada County Board of Supervisors  
959 Maidu Avenue  
Nevada City, CA 95959

Cc: Nevada County Board of Supervisors

Regarding: RA-Rural Zoned Properties and Urgency Ordinance for Cannabis Cultivation

Dear Chairman Scofield,

The Draft Urgency Ordinance which was posted on May 17, 2014 has omitted RA-Rural properties from participation even though these properties are included in the existing cannabis cultivation ordinance. For the reasons that follow, we request that the County include RA-Rural properties which are 5 acres or more in the Urgency Ordinance and that these parcels are included in the Environmental Impact Report for commercial cannabis cultivation in Nevada County.

## RA Rural Zoning

In the County zoning ordinance the following definitions are provided for the different parcel types found in the RA zones:

**“Within Rural General Plan designations, agricultural operations and natural resource related uses and residential uses are of equal importance.” RA-Rural zoning**

“Within the Residential and Estate General Plan designations, the single-family dwelling is of primary importance and agricultural uses are Secondary.” RA-Estate and RA-Residential zoning are distinctly different than RA-Rural zones

It is clear from these definitions, that RA-Rural properties are more than residential neighborhoods as they allow for many types of commercial land uses which are identical to uses allowed on AG zoned parcels.

The following Land Uses allowed in RA Rural and AG zoned parcels are not allowed in other Residential Zones in the County:

- Cemetery
- Agricultural uses and structures including, but not limited to, equipment storage structures, packing facilities for products grown on-site, wholesale plant nurseries, private stables
- Field Retail Stand and Farm Stand
- Certified Farmers' Markets

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- Stables, commercial
- Wineries
- Wildlife Rehabilitation Facilities
- Woodyard
- Communication Towers

These uses clearly relate to the rural character of the areas and the zoning ordinance is very clear about the agricultural designation and allowable uses within the zones.

## Definitions of Residential Neighborhood

- Cambridge Dictionary: Residential of or relating to houses where people live rather than place where they work.
- Merriam – Webster: Definition of Residential: used as a residence or by residents, restricted to or occupied by residences – a residential neighborhood
- Longman Dictionary: Residential, a residential part of town consists of private houses with no office or factories
- Business Dictionary: Residential, describing an area primarily used for housing
- Bankrate: Residential real estate is an area developed for people to live on. As defined by local zoning ordinances, residential real estate cannot be used for commercial or industrial purposes.

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There is a consistency in all of these definitions that makes a residential neighborhood distinctly different than rural neighborhoods where commercial activities are allowed, particularly as they relate to growing and agriculture.

## Discussion on RA-Rural Zones

It is clear that in all definitions that the residential zoning designation is distinctly different from commercial properties and that RA –Rural designated zones are not true residential neighborhoods. Since they are not primarily residential areas as defined due to the commercial activities which are permitted, they more closely resemble AG which allow similar land commercial uses and also have homes.

**Not all RA-Rural properties are adjacent to primarily residential areas.** Several planned communities exist which include RA-Rural zoned parcels. In the instance of Alta Sierra, Lake of the Pines and Golden Oaks, homeowners associations with CC&R's provide restrictions which control property uses regardless of the underlying zoning. These communities have the ability to legally control behavior and can elect to not allow

commercial cannabis cultivation on properties within the boundaries of their homeowners association consistent with their by-laws.

The current zoning ordinance (ordinance 2416) treats RA-Rural designated parcels the same as parcels in the AG, AE, FR and TPZ zones, relating to cultivation of cannabis with the same plant counts, lot size requirements and setbacks. The CAG recommendations also included RA-Rural properties along with AG, AE, and FR zoned properties for appropriate locations for commercial cultivation with the same size limits, setbacks and lot size requirements. The CAG meetings provided significant opportunity for public comment regarding zoning, lot size, grows size and setbacks and the Members of the group discussed each of these items at great length. All Group Members voted on zoning and overwhelming support for including RA-Rural zoned properties was presented in the final report which was delivered to the Board of Supervisors.

Many landowners in RA-Rural, AG, AE and FR properties have made considerable investments in infrastructure, greenhouse and supporting materials for the purpose of cultivating cannabis on a commercial scale. This work has included the preparation of business plans, obtaining permits from the State Water Board, hiring of consultants for biological resource assessments, attorneys or consultants for assistance with State permits, tax consultants and numerous other tasks relating to establishing licensed cultivation enterprises consistent with State law.

Since the passage of Ordinance 2416 in July of 2016, which is still currently in effect, the RA-Rural designation has been included along with AG, AE and FR zoned properties as allowable locations for certain size cannabis cultivation activities. If the Board passes an Emergency Ordinance on May 22, 2018, it is our current understanding that the existing ordinance 2416 will be passed as an Urgency Ordinance as it is currently written, which would include cultivation on RA-Rural zoned properties but not allow for temporary permits for these parcels.

Deleting RA-Rural from commercial cannabis cultivation will surely create a financial hardship on many property owners with this zone. The RA-Rural landowners are not residential by definition and the allowable uses on their properties have always been the same as what is allowed on AG parcels relating to cannabis cultivation. These property owners have no reason to suspect that they will be excluded from the legal permitted structure for commercial cannabis business and they will consider it an ambush.

The RA-Rural issue affects thousands of people yet there has been no public hearing, no official findings presented, and no public comment period specifically conducted with regard to RA-Rural properties being eliminated from the permitted cannabis cultivation program within Nevada County. The financial impact of these decisions on these property owners could be significant as many have worked in good faith, like the property

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owners in other zones (AG, AE and FR), to comply with regulations that would allow participation in the State License system.

As shown in the table below, there are 1,514 parcels in the RA-Rural zoned areas which are greater than 5 acres in size. By combining the AE, AG, and FR zoned designations, there are a total of 9,455 parcels over 5 acres in size. The number of RA-Rural parcels is only 16% of the other three zones combined. Including the RA-Rural zoned properties in the EIR is a modest increase and should not add significantly to the cost of preparing the document. By not including the RA-Rural zones in the evaluation since that zone is currently permitted and allows cultivation like the AE, Ag and FR zones, may very well leave the EIR up for challenge.

**RURAL ZONING DISTRICTS- Minus Public Owned Parcels**

| <b>Zoning District (GP Des)</b> | <b>2 to 2.99 ac.</b> | <b>3 to 4.99 ac.</b> | <b>5 to 9.99-ac.</b> | <b>10-ac and &gt;</b> | <b>Total</b>  |
|---------------------------------|----------------------|----------------------|----------------------|-----------------------|---------------|
| AE                              | 2                    | 5                    | 12                   | 121                   | <b>140</b>    |
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Source: Nevada County GIS Parcel Layer 1/8/18

For parcel sizes that are less than 5 acres, the RA-Rural zoned areas contain 1,010 lots compared to 3,211 in the AE, AG and FR zones. The total lot count in the AE, Ag and FR zones equals 12,666 while the RA-Rural zoned contains total 2,524 lots. Added together, the total number of lots in the RA-Rural, AE, Ag and FR zones would equal 15,190 with the RA-Rural zoned lots representing 16.62% of all lots in these zones.

It is estimated that the County has about 3,000 to 3,500 existing cultivation sites of which a portion are located in RA-Rural zoned areas. These parcels are typically under the radar and therefore usually not located adjacent to residential areas. From a practicable standpoint, if the county is going to allow commercial cannabis cultivation it should be allowed in areas where the activity is currently occurring consistent with the current ordinance in place. By allowing the most number of existing cultivators to participate in the legally permit program, on lots that currently allow for cultivation, demands on enforcement would be reduced. If specific RA-Rural or other AG parcels are located near

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residential areas, a reasonable setback buffer could be established like that used for schools, churches or day care centers or in areas of transition between one type of neighborhood and another.

All growers who have been engaged in the cultivation of cannabis, operating within the confines of an existing ordinance should have a chance of going legitimate and obtaining local and State permits. There will be plenty of growers who will not participate in the State and Local permitting process. By declining the opportunity to parcels where the activity is already established and operating under the existing rules, property owners could be financially damaged by new regulations which limit the economic use of their land.

### **Commercial Cannabis prior to 2018**

The claim that commercial cannabis was not previously allowed in Nevada County is not accurate. Prior to the adoption of the new cannabis permitting system in January 2018, legal commercial cannabis businesses were operating throughout the State and in Nevada County under rules established in the Proposition 215. These legal commercial cannabis businesses generated about \$650 million of legal sales in the State in 2016. Many legal cannabis businesses have been operating in the RA-Rural, AG, AE and FR zones consistent with County rules pertaining to lot size, plant count and setbacks, and many have already obtained resale licenses from the State. These same “commercial” cannabis entities have filed documents with the Secretary of State establishing their businesses, obtained Federal Tax ID numbers, and paid income taxes on revenue from cannabis sales. It is clear that there is a serious interest by many growers in becoming legal and in compliance with the new State laws.

Cannabis cultivation has occurred in Nevada County for many years and previous ordinances have defined where cultivation should occur. Our property has been included in these approved areas, which is why we made a significant investment in our operation. To arbitrarily remove our land and yet allow other similar properties the rights to cultivate is discriminatory, lacking in due process, a “taking” of our rights to use our property, and a violation of our trust in local government. Personally we would be significantly damaged by these actions as will many others in the RA-Rural zone. Selectively taking away some owners rights to use their property while allowing others to retain rights, is not fair and speaks of favoritism, especially considering both types of properties are currently allowed the same commercial land uses in every other regard.

Of the 68,000 cultivation sites in California, only about 2.2% of these sites have applied for Temporary Cultivation permits to date. While some 3,000 permits have been issued so far this year, about half of these permits have been issued for new facilities and not

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for existing operations. Many cultivators are located in jurisdictions that do not have local ordinances permitting cultivation, while others are waiting in line for local approvals so they can submit applications to the State. The State annual permitting process, which has not yet been implemented, is cumbersome and expensive and many applicants may never obtain a State permit even with local agency approval. Those growers who want to participate in the legal market should be given every chance to do so, because the alternative is the ever expanding unregulated market, where taxpayers throughout the state are forced to spend valuable resources mitigating environmental damage and abating illegal cultivations.

## **Addressing Economic Impacts of Cannabis in the EIR**

Over 10,000 people in Nevada County are employed in cultivation or directly related businesses, which means that about 1 out of every 8 people over 18 years of age is directly involved in cannabis. Since the average cannabis farm produces 200 pounds annually and that there are at least 3,000 cannabis farms in the County, gross sales of cannabis are least \$480 million dollars annually if cannabis sold for only \$800 per pound. Cannabis sales at about \$2,000 per pound for products shipped outside of California are normal. These are baseline conditions within the County and even though they are not permitted, they do exist today and the County as well as the cultivators and supporting businesses are dependent on the cash streams provided by these operations.

Some of these operations are located on RA-Rural properties and would be negatively impacted by the passage of an Ordinance which prevents legal cultivation on properties in this zone. The EIR should address the economic impacts for these properties as well as other sites identified which would be excluded from participating in the State licensing program. The EIR must consider the impact on government services as a result of taking peoples businesses and livelihood away and the economic impact of losing such a large employer within the County including the impact on other local business. The EIR should also address how these jobs will be replaced, what type of job training will be provided and what level of resources will be made available to transition the cannabis industry employees into other types of employment. The EIR should also examine the need and location for new housing, infrastructure development and expansion of government services including education to support a job expansion project so that quality businesses can locate to Nevada County to provide new local jobs.

For over 40 years cannabis has been a part of Nevada County and it is now by far the largest employer. The County has enjoyed the benefits of the cash flow derived from cannabis and has done very little over the years to curtail the growth of numerous cannabis businesses. Now when there is real chance of legalizing a number of

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cultivations, more prohibitions are being considered for certain parcels and uneconomical grow sizes are being proposed on many sites. Cannabis cultivators in the regulated market will need to compete with operations throughout the State. Growing operations confined to 2,500 square foot facilities in many cases will not be profitable given all the fees and costs associated with regulation, and even 5,000 square foot facilities costs for production is generally more than a 10,000 site on a per pound basis. Prices continue to decline for cannabis, and establishing an entire permitting program is just a waste of resources and everyone's time if at the end of the day, if only a few can participate in the program or if anybody who does, losses money.

## Looking Forward

As a community we should be looking toward our future, and if that future does not include cannabis then alternatives must be developed and acted upon. But we must consider that transitioning from our existing cannabis dependent economy will take time, and just another ban is not going to solve the problem of finding meaningful employment for the 10,000 already engaged in this activity.

The County is not growing in population and since 2010 only about 375 new residents have either been born here or moved to Nevada County according to the State Census information. If we cannot provide and maintain current jobs, we will lose some population. Perhaps for some the current rate of growth is victory, as there are always some that oppose every single effort to bring in new development. As our infrastructure ages and more demand is placed on local government for services and costs increase for staff and funding pensions, the need to identify new revenue sources will become a bigger priority for the County. Just because we are a rural county does not mean that we can't have clean industry and quality jobs. We offer a lifestyle which is very attractive and we live in a very beautiful environment. We need to be open for business and not let this cannabis discussion divert us from flourishing. Cannabis cultivation is not going away in this County and it is not a detriment for growth. In the near future, this substance will likely be removed from the Federal Schedule 1 drug list, and the industry will go through yet another change. We just can't let this silly little plant to cause so much division for us so that we lose sight of our shared goals for the future.

## Conclusion

Please include the RA-Rural zoned parcels over 5 acres in size in the EIR and allow for commercial cannabis cultivation consistent with the canopy areas as allowed on AG, AE

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and FR parcels on those parcels which meet the setback requirements as has been done in the past.

Respectfully,

Gary M. Baker, Partner  
Plan-aire Landscape Architects and Planning



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## **RA - Rural Letter No. 5**

May 24, 2018

Sean Powers  
Nevada County  
Community Development Agency Director  
950 Maidu Avenue  
Nevada City, CA 95959

Regarding: Scoping Session and Alternative Project for Cannabis Cultivation EIR

Sean,

### **Scoping Session**

As you proceed on the EIR for the cannabis cultivation ordinance I wanted to make sure that I was on the list to get notified for the scoping meeting to be held with the consultant team as the EIR gets underway. In the case of *Concerned Citizens of Costa Mesa, Inc. v. 32<sup>nd</sup> District Agricultural, Assoc.* (1986); The court emphasized that the public holds a "privileged position" in the CEQA process "based on a belief that citizens can make important contributions to environmental protection and on notions of democratic decision making."

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## Alternative Project

Section 15126.6 of the California Environmental Quality Act (CEQA) Guidelines addresses the discussion of alternatives in an EIR.

Section 15126.6(a) states: An EIR shall describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives. There is no ironclad rule governing the nature or scope of the alternatives to be discussed other than the rule of reason.

One alternative project proposed is commercial cultivation odor controlled greenhouse or indoor cultivation in the RA-Rural zone on parcels larger than 5 acres where the cultivation sites would be limited to 2,500 square feet on 5 acres to 9.99 acres, 5,000 square feet on parcels between 10.0 acres and 19.99 acres and 10,000 on parcels greater than 20 acres with setbacks consistent with the AE zones and prohibiting outdoor cultivation except for personal use from this zone. Odor control systems would eliminate the main objection of cultivation in this zone. By including this analysis as an alternative the environmental impacts could be addressed countywide and if, or when, the use is allowed as may transpire over the coming months, a separate or supplemental EIR would not be required.

Since CEQA requires alternatives, and this option is viable because it provides different locations for cultivation and provides mitigation of one of the main complaints in cannabis cultivation which is the odor and its impact on neighbors. Additionally, from an economic standpoint, outdoor grows may not prove to be as economical or competitive in the legal California marketplace in the long term as commercial cannabis operations throughout the state are moving into year round facilities, where 4 to 6 harvests are occurring in a single year.

Thank you for your assistance.

Gary M. Baker  
Plan-aire Landscape Architects and Planning  
[gary@plan-aire.com](mailto:gary@plan-aire.com)

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## Response to Comment Letter R – Gary Baker

**Response to Comment R-1:** The commenter provides introductory remarks regarding the focus of the comments related to the 30% Alternative, various sections of the DEIR, other alternatives, and references previous submittals of comments. This comment is introductory, and no further response is required.

**Response to Comment R-2:** The commenter continues providing introductory remarks. No further response is required.

**Response to Comment R-3:** The commenter notes what highlights and red text indicates in commenter. The comment is noted, and no further response is required.

**Response to Comment R-4:** The commenter indicates that the 3,500 cultivation sites are in the baseline but in some section and discussions they are included for the analysis in addition to the proposed project. The commenter is correct. While a part of the baseline, because the use in some instances is anticipated to continue and be permitted or potentially expanded, the sites are discussed because they will continue to impact some resource areas. The commenter also is referred to **Response to Comment O-232**, and **O-355**.

**Response to Comment R-5:** The commenter copies text from the DEIR regarding the purpose of the EIR and makes a note to see comments from February 22, 2019. The commenter is referred to **Response to Comment Q-4**. No changes to the EIR were made as a result of this comment.

**Response to Comment R-6:** The commenter states the DEIR did not analyze cannabis production, alternate energy, ancillary structures, and total site disturbance of constructed 14,500 additional housing units. The commenter is referred to **Response to Comment O-229**, **O-230** regarding cannabis production. The commenter is referred to **Response to Comment C-21**, **I-3**, **K-21**, **K-22**, **L-11**, **N-6**, **O-346**, **O-347**, and **O-397** regarding renewable energy. Regarding a specific discussion of impacts from ancillary structures, these impacts are discussed within the context of the overall project and proposed NCCO. The use of ancillary structures is provided in the proposed NCCO and are included in the project description and hence, included in the analysis of the resource areas. The commenter is referred to **Response to Comment O-129** and **O-236** regarding demand for additional housing and population increase. No further discussion is required.

**Response to Comment R-7:** The commenter states that the US Forest Service and Bureau of Land Management are not listed as Responsible and Trustee Agencies. Neither agency is a Responsible Public Resources Code § 21069 defines a Responsible Agency as a public agency other than the lead agency, which has the responsibility for carrying out or approving a project. Public Resources Code § 21070 defines a Trustee Agency as a state agency that has jurisdiction by law over natural resources affected by a project, that are held in trust of the people of the State of California. Neither agency is in these categories. No change to the DEIR is needed. No further comment is required.

The second occurrence of “Nevada Irrigation District,” has been removed from the list. No further comment is required.

**Response to Comment R-8:** The commenter discusses the 1,000-foot setback. The commenter is referred to **Response to Comment O-4**, **O-11**, and **O-53**.

**Response to Comment R-9:** The commenter says the 30% Alternative is still too large and there is no timeline related to project build-out. The commenter is referred to **Response to Comment O-379**.

**Response to Comment R-10:** The commenter makes general statements about the No Groundwater Alternative but does not make any statement or question regarding the adequacy of the DEIR. No further comment is required.

**Response to Comment R-11:** The commenter makes general statements about the No Permanent Structures in Designated Farmland Alternative but does not make any statement or question regarding the adequacy of the DEIR. No further comment is required.

**Response to Comment R-12:** The commenter makes a generalized statement about localized groundwater issues and references the previous comment which also made a general statement. The commenter is referred to **Response to Comment R-10**.

**Response to Comment R-13:** The comment is in reference to a grammatical, spelling, or other syntax error. The second occurrence of "Nevada Irrigation District," has been removed from the list. No further comment is required.

**Response to Comment R-14:** The commenter is referred to **Response to Comment R-7**. No further response is required.

**Response to Comment R-15:** The commenter is referred to **Response to Comment R-6**. Regarding the reference to the February 22, 2019 submittal, the commenter is referred to Responses to Comments Letter Q (Gary Baker 3 of 5). No further comment is required.

**Response to Comment R-16:** The commenter asks questions about the tree mitigation. The commenter is referred to page 4.1-24 of *Section 4.1 Aesthetics*. This section states the following which addresses the comment:

"If a Management Plan is required, a Biological Inventory prepared by a qualified biologist, to determine whether the habitat for the defined resource, or the resource itself may be affected by a proposed project. Trees or groves determined to be dead, dying, or a public safety hazard by a certified professional arborist, licensed landscape architect, registered professional forester, or qualified biologist or botanist (referred to herein as a qualified professional) as well as trees that must be removed to ensure fire safe access or provide adequate fuel reduction as determined by the California Department of Forestry or local fire district, and removal of trees necessary to provide for site access and public utilities or public right-of-way also may be exempt from this standard. All these removals would require verification that they meet standards through the development review process.

However, for projects that could result in disturbance to defined trees or groves would require a management plan to be prepared. The management plan would be required to be prepared by a qualified professional and according to the Development standard would be required to contain the following elements:

- Evaluate the impact of the project on defined trees and groves and recommend project modifications that avoid or minimize impacts;

- Place special emphasis on Blue oak (*Quercus Douglasii*) and Valley Oak (*Quercus Lobota*);
- Emphasize protection of groups of trees rather than individual;
- Replace trees on an inch for inch standard to equal the diameter removed;
- Provide for long term maintenance.

If impacts remain, or after review by County staff determines replanting in infeasible the applicant would be required to pay to Nevada County fees, determined by a qualified professional, to a Tree Preservation Fund to pay for planting on public property or off-site habitat preservation. The above requirements also shall apply to properties in which a grove or stand has existing for three years prior to project application. The County also may use alternative standards that have the same practical effect and provides for equal or greater mitigation.

For all trees retained during and after construction, a Tree Protection Plan would be required to be prepared by a qualified professional. The Tree Protection Plan would be required to include:

- pre-construction and post-construction protection measures defining tree protection zones; water needs, monitoring, and maintenance to ensure long-term care; and
- specification of a work efforts (pruning, bracing systems, mulch, pest management, irrigation, fencing installation) and construction plans;"

No further response is required.

**Response to Comment R-17:** The commenter requests clarification on the lighting control plan. The lighting control plan needs to discuss and demonstrate how the lighting for the cultivation site will comply with applicable regulations. The project applicants may prepare the lighting control plan. No further response is required.

**Response to Comment R-18:** The commenter questions if a surveyor is needed to map the farmland. MMAG-1 states: "If such lands exist, the applicant shall show on the site plan(s) that any proposed accessory structure and related improvements (e.g., driveways, staging areas, etc.) have been located on the property in which impacts to mapped farmlands are reduced to the maximum extent practicable." A professional land surveyor is not required. No further response is required.

**Response to Comment R-19:** The commenter states more trees may need to be cut to prevent shading. The comment is noted. Tree harvests will be determined on a project by project basis and in accordance with the timber harvest plan as required and if applicable. No further response is required.

**Response to Comment R-20:** Regarding the number of employees needed, the commenter is referred to **Response to Comment O-223**, regarding employees. Regarding the disturbed area, the project description accounts for the potential physical development. Although the specific nature and extent of possible development is not known and cannot be known at this juncture, the potential for cultivation sites to contain ancillary structures is, therefore; evaluated in the resource section of the DEIR. In addition,

the commenter is referred to **Responses to Comment C-2, C-9, J-9, and K-4**, which details the additional environmental review process for commercial cultivation as the project are evaluated on a case-by-case basis in accordance with regulations and guidelines.

**Response to Comment R-21:** The DEIR does not state that the disturbance area would be limited to 2,684 acres. The DEIR identified 2,684 acres of total canopy area. In the *Section 2.0 Executive Summary, Section 3.0 Project Description, and Section 4.4 Biological Resources and Section 4.5 Cultural Resources*, listed by the commenter, the impact section specifically mentions accessory structures and therefore, these areas are accounted for. This comment is noted. The commenter is referred to **Response to Comment R-22**. No further response is necessary.

**Response to Comment R-22:** The commenter notes the mitigation for generators saying they will need space in an ancillary building. This is true. The commenter notes mitigation for a biological site assessment and provides additional comment regarding mitigation measure BIO-2. The commenter is referred to **Response to Comment B-4, B-6, B-7, B-8, B-9, B-10, and B-11** for additional information on biological resources and studies needed. No further response is required.

**Response to Comment R-23:** The commenter restates comment of the disturbed areas. The commenter is referred to **Response to Comment R-21**.

**Response to Comment R-24:** The commenter restates the commenter of the disturbed area. referred to **Response to Comment R-21**. The commenter says erosion control will be labor-intensive to install and maintain. This comment is noted. No further response is required.

**Response to Comment R-25:** The comment is in reference to a grammatical, spelling, or other syntax error. The FEIR has been revised and the number "8," has been inserted. No further comment is required.

**Response to Comment R-26:** The commenter restates discussion of the number of employees. The commenter is referred to **Response to Comment R-20 and O-223**.

**Response to Comment R-27:** The commenter restates discussion of the number of employees and residences. The commenter notes the need for new restrooms and waste discharge. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees. The commenter is referred to **Response to Comment F-13 and G-8**, regarding wastewater requirements.

**Response to Comment R-28:** The commenter states issues with groundwater supply and states reducing the size of the proposed project would minimize impacts. The County concurs. Ground water supplies are limited and reducing the scale of potential permits would reduce potential impacts. No further response is required.

**Response to Comment R-29:** The commenter restates the commenter of the disturbed area. referred to **Response to Comment R-21**. The commenter says alterations of drainage patterns could occur. The County agrees. The proposed project could result in alterations to drainage patterns. This comment is noted. No further response is required.

**Response to Comment R-30.** The commenter restates the commenter of the disturbed area. referred to **Response to Comment R-21**. The commenter says alterations to watercourses could occur. The County

agrees. The proposed project could result in alterations to drainage patterns. This comment is noted. No further response is required.

**Responses to Comment R-31:** The commenter notes that the proposed project and future cannabis cultivation, ancillary structures, and other facilities would result in spills affecting water quality. The County agrees that water quality could be affected. The commenter is referred to **Response to Comment C-6**, which provides an overview of the requirements pertaining to water quality protection and the commenter is referred to **Response to Comment F-2, F-8, F-9, F-10, F-11, F-13, and G-2, G-6**, regarding responses to comments from the LRWQCB and CVRWQCB. The commenter also is referred to **Response to Comment C-12, C-17, and C-18** in response to comment from CDFA and associated regulations pertaining to water quality including spills. Section 4.8: *Hydrology and Water Quality* regulatory setting also has been revised to clarify numerous permitting requirements that would be applied to future commercial cannabis cultivation projects as needed and, on a case-by-case basis in accordance with CDFA guidance and which are discussed in detail in **Response to Comment C-2 C-8**. No further response is required.

**Response to Comment R-32:** The commenter continues discussing spills and the County concurs there is no “fool-proof plan.” As discussed in Section 4.8: *Hydrology and Water Quality* all future commercial cannabis cultivation projects would be required to conform to all applicable regulations pertaining to protecting water quality. The commenter also is referred to **Response to Comment R:31**, above. No further response is required.

**Response to Comment R-33:** The commenter states that projects should be developed outside the floodplain. The commenter is referred to impact 4.8-7 in Section 4.8: *Hydrology and Water Quality* which discusses impacts to flood plains concluding impacts are less than significant. The discussion reads as follows:

“Conformance to applicable regulations for all projects under both a CCP and ADP would be verified during the planning review process. This review would include verification that the cultivation areas and any habitable structures are outside a 100-year floodplain. This would be verified during the planning review process and could be done by the Planning Director or designee. During the permitting and review process, the location of a prospective cultivation site would be disclosed and a determination regarding its proximity to a floodplain would be made. This would provide the opportunity to deny the project or require modifications as conditions of approval to reduce the effects. If it is determined that a cannabis cultivation site is within a 100-year floodplain, the applicant could apply for a Conditional Use Permit and the project may be approved provided it is in full conformance with the Nevada County Land Use Development Code, specifically Chapter XII: Floodplain Management Regulations , which contains safety regulations to minimize the damage and dangers to land uses within a floodplain. Additionally, the ACP would need to be renewed annually. This would confirm continued compliance and that no encroach has occurred since the initial project approval. This would ensure that impacts would be less than significant.”

No further response is required.

**Response to Comment R-34:** The commenter recommends revising the Truckee Sphere of Influence to reduce the associated impact. The commenter is correct; however, the suggestion for a revision of the Truckee Sphere of Influence is outside the scope of this project which is an ordinance to set forth a permitting process for legal commercial cannabis cultivation within Nevada County. The commenter is referred to Impact 4.9-2 which states the following:

“While this may result in the exclusion of some parcels should they be under cannabis cultivation, it may not exclude all parcels. Ultimately, cannabis cultivation within the Truckee SOI may lead to future land use conflicts resulting in a significant impact to the environment. Therefore, although the County finds this unlikely, this impact is considered significant and unavoidable.”

In addition, the County would comply with the requirement of State CEQA Guideline § 15093 Statement of Overriding Considerations, and the decision-making agency would balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project.”

Therefore, the project would comply with CEQA in this regard. No further comment is required.

**Response to Comment R-35:** The commenter makes an unspecific commenting noting that implementation of the proposed NCCO would result in the creation of noise and ground borne vibration. The County agrees with the commenter. The proposed NCCO was evaluated for noise impacts in Section 4.11: *Noise* and the commenter is referred to this section for a discussion of noise and vibration impacts. No further response is required.

**Response to Comment R-36:** The commenter notes certain pages and impacts discussion related to Sections 4.15: *Transportation and Traffic* and Section 4.16: *Utilities and Service Systems*. This comment is noted, and specific responses are discussed below. No further response is required.

**Response to Comment R-37:** The commenter restates comments related to the understatement of housing demand. The commenter notes that substantial housing would be needed and references previous comments from the comment letter dated February 22, 2019, that have been responded to. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees. No further response is required.

**Response to Comment R-38:** The commenter states that substantial impacts to traffic, air quality, parks and recreation, and public service, and housing would occur. The commenter discusses needed employees, housing, net employment and that it would affect services and every citizen in Nevada County. The comment is noted. All associated Impacts are discussed in the associated sections of the DEIR and FEIR in Sections 4.12: *Population and Housing*, 4.13: *Public Services*, and 4.15: *Transportation and Traffic*. More specifically, the commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees, **Response to Comment C-25, C-32, H1-15, H2,2, O-289, O-292, O-297, O-358, and O-419**, regarding traffic, revisions and clarifications to Section 4.15: *Transportation and Traffic* and discussion of impacts. No further response is required.

**Response to Comment R-39:** The commenter states the project should be reduced in size to reduce traffic and proposes the commenters Alternative 5 should be adopted. The comment is noted. The commenter is referred to **Response to Comment C-25, C-32, H1-15, H2,2, O-289, O-292, O-297, O-358, and O-419**, regarding traffic and **Response to Comment K-41** regarding alternatives to the project. As discussed in other previous comments provided by the commenter, the commenters detailed work regarding the proposed project, alternative (including Alternative 5) will be provided to County decision-makers for their review and consideration. No further response is required.

**Response to Comment R-40:** The commenter states that conservation and reducing project size will reduce water demand. The commenter suggests that water use for cannabis cultivation be measured/metered to track use and that future State legislation could be used. The commenter is referred to **Response to Comment G-11 and O-106**, regarding the regulation pertaining to well monitoring. The County is not certain that simply monitoring the volume of well water used would reduce impacts. Well water used for commercial cannabis cultivation would be required to be limited if in fact the commercial cultivation was resulting in overdraft conditions. Currently, the infrastructure and needed technology is not in place to accomplish this. However; this suggestion will be reviewed by County decision-makers and this or something similar could be added to the proposed NCCO prior to final approval. No further response is required.

**Response to Comment R-41:** The commenter states that electrical use is miscalculated, the commenter states the project size needs to be reduced, energy recalculated, and suggests approving the commenters Alternative 5. The commenter is referred to **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy and **Response to Comment K-41 and R-39**, regarding alternatives

**Response to Comment R-42:** The commenter discusses the lack of renewable energy discussion in the DEIR. The commenter is referred to **Response to Comment C-21, L-11, K-21, and K-22**.

**Response to Comment R-43:** The commenter restates disturbance area and water quality issues. The commenter is referred to **Response to Comment R-31**.

**Response to Comment R-44:** The commenter restates the disturbance figures and states that this could result in localized flooding. The commenter notes that on-site retention could be used but this could result in additional areas of disturbance. The commenter is referred to Response to Comment J-23, which discusses that all future projects, both under a CCP and ADP also would be required to show conformance with requirements set forth in Section L-II 4.3.3 General Provisions related to floodplains, steep slopes/high erosion potential, and watercourses, wetlands, and riparian areas. No further discussion is required.

The County agrees that detention basins on-site could be implemented to reduce flooding impacts if needed. This would be evaluated on a case by case basis during the project review process. The County agrees that this could result in increased the area of site disturbance. The commenter is referred to **Response to Comment F-2, F-8, F-9, F-10, F-11, F-13, and G-2, G-6**, regarding responses to comments from the LRWQCB and CVRWQCB, and water quality requirements to minimize impacts from site disturbance among other things. No further discussion is required.

**Response to Comment R-45:** The commenter restates concerns about spills and water quality impacts. The commenter is referred to **Response to Comment F-2, F-8, F-9, F-10, F-11, F-13, and G-2, G-6**. No further discussion is required.

**Response to Comment R-46:** The commenter reiterates concerns about 100-year floodplains. The commenter is referred to **Response to Comment R-33**.

**Response to Comment R-47:** The commenter restates comments regarding employees, housing, and suggests using the figures provided by the commenter in the February 22, 2019 comments. The comment is noted, and the commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-48:** The commenter restates comments regarding impacts to air quality, traffic, hydrology, parks and recreation, energy, utilities, etc. The commenter is referred to **Response to Comment R-31, R-32, R-36, R-38, R-45**.

**Response to Comment R-49:** The commenter restates discussion points related to energy. The commenter is referred to **Response to Comment R-6, and R-41 and Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy

**Response to Comment R-50:** The commenter makes a general statement that impacts to aesthetics, biological resources, cultural and tribal resources, and noise could be significant and unavoidable. The County disagrees that these impacts would be significant and unavoidable. These impacts are discussed in the respective sections of the DEIR and FEIR, Sections 4.1: *Aesthetics*, 4.3: *Cultural and Tribal Resources*, Section 4.4: *Biological Resources* and 4.11: *Noise*. No further response is required.

**Response to Comment R-51:** The commenter is referred to **Response to Comment O-143**. No further response is required.

**Response to Comment R-52:** The comment is noted. Tahoe National Forest is TNS and Bureau of Land Management is BLM. Cannabis cultivation is not permitted within these areas. No changes to the EIR were made as a result of this comment.

**Response to Comment R-53:** The commenter is referred to **Response to Comment L-13** regarding the RA designation.

**Response to Comment R-54:** The comment is in reference to a grammatical, spelling, or other syntax error. The words, “medium growth,” has been deleted, and “including light” has been left.

**Response to Comment R-55:** The commenter restates the same or similar previous comments regarding water diversions stating these are bigger issues in Humboldt and Mendocino County and that most cultivators in Nevada County utilizes well water. This comment is noted and will be referred to the County decision-makers for their review. No further response is required.

**Response to Comment R-56:** The commenter continues in discussion of the differences between Nevada County, Humboldt County, and Mendocino Counties regarding water sources, but this does not relate to a comment on the DEIR or its adequacy. No further response is required.

**Response to Comment R-57:** The County disagrees that quoted section of the DEIR by the commenter describes a negative overview. No further comment is required.

**Response to Comment R-58:** The commenter provided a technical clarification on cultivation techniques. The word “a” and number “24” have been added. No further response is required.

**Response to Comment R-59:** The commenter provides information about the cultivation process. This comment is informational in nature and is not in conflict with the content of the EIR. This comment will be forwarded to the County decision-makers for their review and consideration. No changes to the EIR were made as a result of this comment.

**Response to Comment R-60:** The comment is noted. The County has revised the FEIR to state, “one to two” harvests. The County acknowledges the 12-hour requirements for flowering and the commenter notes that generally only one flowering cycle is possible. This revision for clarification does not change any of conclusion in the DEIR. No further response is required.

**Response to Comment R-61:** The comment is noted. The following text has been added for clarification, “for the flowering stage but not the growing stage.” This revision for clarification does not change any of conclusion in the DEIR. No further response is required.

**Response to Comment R-62:** The commenter provides additional detail regarding the general cultivation techniques use for commercial cannabis. The commenter does not raise any environmental issues but questions how differences in the State requirements and County requirements will be handled. The County may issue a permit provided all County permits requirements are met. It would be incumbent on the cultivator to meet all State requirements to obtain a state permit. No changes were made to the EIR as a result of this comment.

**Response to Comment R-63:** The commenter states a disagreement with the water use of cannabis cultivation. This comment is the same or similar to comments from previous comment letter. The commenter is referred to **Response to Comment O-123**, and **O-130**, for water use.

**Response to Comment R-64:** The commenter provides additional information related to water use and states additional information will follow in forthcoming comments. The comment is noted, and the commenter is referred to **Response to Comment O-123**, and **O-130**, for water use

**Response to Comment R-65:** The commenter restates information previously provided regarding water use. The commenter is referred to **Response to Comment O-123 and O-130** for water use.

**Response to Comment R-66:** The commenter notes that the DEIR evaluates 100% of eligible parcels discusses Tier 1 and Tier 2 cultivation and the regulations regarding use of light-deprivation for outdoor cultivation. The commenter is referred to **Response to Comment K-4, K-6, K-12, K-16, K-18, L-5, L-6, and O-129**, for the use of 27,207 parcels, and **Response to Comment R-60** regarding cycles, and the comment regarding Tier 1 and Tier 2 is noted. No further response is required.

**Response to Comment R-67:** The commenter provides information regarding water use rates and disputes the use rates discussed in the DEIR. These comments are the same or similar to other comments made by the commenter in previous comment letter. The commenter is referred to **Response to Comment O-123 and O-130**, regarding water use.

**Response to Comment R-68:** The commenter provides details regarding cannabis yield. The referenced section of the document was providing an average number. The commenter stated there are other numbers which the County recognizes. The commenter provides additional variables and information. The commenter is referred to **Response to Comment O-228, O-229, and O-230**, regarding yield and the applicability to consideration in the DEIR. No further response is required.

**Response to Comment R-69:** the commenter provides additional information regarding yield and includes a table showing the effectiveness of production and refers the appendix of yield calculations provided in the comments submitted with the February 22, 2019 comments. The comment is noted, and the commenter is referred to **Response to Comment O-228, O-229, and O-230**. All comments in the February 22, 2019 comment letter were responded to and/or noted. These comments will be provided to the County decision-makers for their review. No further comment is required.

**Response to Comment R-70:** The commenter requests the energy used by 24 refrigerators in response to a comparison made in *Section 3.0 Project Description*. The comparison was made to provide a reader with reasonable visual comparison of energy use between four plants and a commonly known household item, and was not one meant to present a precise numerical value. No further response is required.

**Response to Comment R-71:** The comment is in reference to a grammatical, spelling, or other syntax error. The word, “cannabis,” has been inserted. No further response is required.

**Response to Comment R-72:** The comment is noted and states a difference in the amount of electricity estimates. The commenter is referred to **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy

**Response to Comment R-73:** The commenter notes that yield and water use is open to interpretation. The commenter is referred to **Response to Comment O-228, O-229, and O-230**, regarding yield, and **Response to Comment O-123 and O-130** for water use. It should be noted that the DEIR does not analyze the project based on the 11 gallons figure. Lower water use rates were used.

The other comment is in reference to a grammatical, spelling, or other syntax error. The word, “cannabis,” has been inserted. No further response is required.

**Response to Comment R-74:** The commenter references Tier 1 and Tier 2 mixed-light cannabis licenses and references the calculation in the Alternative 5 provided. This comment is noted and will be provided to the Planning Commission for their review. No further response is required.

**Response to Comment R-75:** The word “hoop houses” has been replaced with “cultivation areas.” No further response is required.

**Response to Comment R-76:** The commenter references Tier 1 and Tier 2 two cultivation. The commenter is referenced to **Response to Comment R-74**.

**Response to Comment R-77:** The comment is in reference to a grammatical, spelling, or other syntax error. The number, “64,” has been inserted. No further response is required.

**Response to Comment R-78:** The commenter questions the proposed project meeting all the project objectives and asks where the write-up in the DEIR shows the project meets them. The commenter is

referred to *Section 5.0 Alternatives*, which discusses that the proposed project meets the project objectives.

**Response to Comment R-79:** The commenter notes that accessory structures must be constructed in accordance with building code. The County agrees. No further comment is required.

**Response to Comment R-80:** The commenter asks if there is a separate section discussing non-remuneration. No, there is no separate section.

**Response to Comment R-81:** The commenter notes that the RA zone is included for use in an alternative to the proposed project. The County agrees. No further comment is required.

**Response to Comment R-82:** The commenter discusses the 1,000-foot setback. The commenter is referred to **Response to Comment O-4, O-11, and O-53.**

**Response to Comment R-83:** The commenter notes a similarity in the AR and AG zone. The comment is noted. No further response is required.

**Response to Comment R-84:** The comment is in reference to a grammatical, spelling, or other syntax error. The word “agent,” has been inserted. No further response is required.

**Response to Comment R-85:** The commenter questions the use of propane tanks and hazardous materials. The commenter is referred to **Response to Comment O-56.**

**Response to Comment R-86:** The sentence, “All individuals desiring to cultivate cannabis for personal use must first register as Registered Cultivator with the Enforcing Officer and obtain proof of registration. This proof of registration must be produced immediately upon request by an Enforcing Officer. Failure to register before cultivating will be considered a violation of this Ordinance,” has been deleted.

**Response to Comment R-87:** The commenter states the 25% ancillary support area is not adequate. The commenter references comments in the previous February 22, 2019 comment letter. This comment was addressed in that letter and will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-88:** The comment is in reference to a grammatical, spelling, or other syntax error. The “.” was deleted and a lowercase “p” and a “,” “inserted. No further response is required.

**Response to Comment R-89:** The commenter restates that the 27,207 parcels is unrealistic and says the impacts from the potential new 14,500 residences is not accounted for. The commenter says the total 2,684 acres of possible disturbance is not accounted for. The commenter is referred to **Response to Comment K-4, R-20, O-223, O-226, O-236, and O-237** regarding population, housing, and employees.

**Response to Comment R-90:** The commenter states that the accessory structure area is not accounted for. The commenter is referred to **Response to Comment R-21** regarding accessory structures.

**Response to Comment R-91:** Part of the comment is in reference to a grammatical, spelling, or other syntax error. The “d” was deleted and a “t” was inserted. No further response is required.

**Response to Comment R-92:** Regarding the use of the 27,207 parcels, the commenter is referred to **Response to Comment K-4, K-6, K-12, K-16, K-18, L-5, L-6, and O-129.**

**Response to Comment R-93:** The comment is in reference to a grammatical, spelling, or other syntax error. A“-“ was inserted. No further response is required.

**Response to Comment R-94:** The ADP was in reference to only the ADP process. No further response is required.

**Response to Comment R-95:** The comment is in reference to a grammatical, spelling, or other syntax error. A“-“ was inserted. No further response is required.

**Response to Comment R-96:** The commenter questions to two-pronged process. The two-pronged process refers to the need for a land use permit and either a CCP or an ADP.

**Response to Comment R-97:** The commenter notes that not all of the project application requirements are listed. This comment is noted. All project requirements are listed in the application packet which is referred to in the proposed NCCO. No further comment is required.

**Response to Comment R-98:** The commenter notes the state 600-foot setback to schools. The comment is noted. The County setback is greater. The commenter is referred to **Response to Comment O-4, O-11, and O-53**. No further response is required.

**Response to Comment R-99:** The commenter states that it is not practical to fully screen cultivation from public rights-of-way with plant growth and fencing limitations. The commenter states that lighting and glare has been covered but should be reassessed. Regarding the visual screening the comment is noted, and comments will be forwarded to the County decision-makers for their review and the commenter is referred to **Response to Comment O-406**. Regarding lighting requirements, it is unclear to what exactly the commenter is referring, but the commenter is referred to **Response to Comment C-1, C-29, L-8, and O-425**

**Response to Comment R-100:** The commenter is correct in the citation of this Development Standard. The commenter is referred to **Section 4.4 Biological Resources** for a complete discussion of impacts as well as other avoidance and mitigation measures, and the text in Impact discussion 4.4-1 that states, “If potential impacts on these biological resources cannot be reduced to less than significant, no permit would be issued.” No further response is required.

**Response to Comment R-101:** The commenter notes that language regarding an exemption at the discretion of the Planning Director was inconsistent with other regulations. Based on other comments received, this had been removed. The commenter is referred to **Response to Comment B-4**. No further response is required.

**Response to Comment R-102:** The commenter makes notes about SWRCB related to some of the management plans. This comment is noted. No further response is required.

**Response to Comment R-103:** The commenter notes that all projects require full CEQA compliance. It should be noted that an exemption under CEQA is full CEQA compliance. The commenter is referred to **Response to Comment B-5, B-9, C-2, C-5, C-6, and C-8** regarding subsequent CEQA review. No further response is required.

**Response to Comment R-104:** The commenter states while management plans may not be required for every project, CEQA review would be. The commenter is referred to **Response to Comment B-5, B-9, C-2, C-5, C-6, and C-8** regarding subsequent CEQA review. No further response is required.

**Response to Comment R-105:** The comment is in reference to a grammatical, spelling, or other syntax error. The, “w” was deleted.. No further response is required.

**Response to Comment R-106:** The commenter reiterates that full CEQA compliance is required. The commenter is referred to **Response to Comment B-5, B-9, C-2, C-5, C-6, and C-8** regarding subsequent CEQA review. No further response is required.

**Response to Comment R-107:** The commenter notes there is no CEQA provision allowing the Planning Director to bypass CEQA. The DEIR never set up a process by which CEQA would be bypassed. The commenter is referred to **Response to Comment B-5, B-9, C-2, C-5, C-6, and C-8** regarding subsequent CEQA review. No further response is required.

**Response to Comment R-108:** The commenter provides an example of how future requirements for CEQA evaluation is required. The comment is noted. The commenter is referred to **Response to Comment B-5, B-9, C-2, C-5, C-6, and C-8** regarding subsequent CEQA review. No further response is required.

**Response to Comment R-109:** The second occurrence of “Nevada Irrigation District,” has been deleted based on previous comment by the commenter.

**Response to Comment R-110:** The commenter notes the registration requirement for personal use. This reference has been deleted based previous comment by the commenter.

**Response to Comment R-111:** This comment is noted. The quoted sentence does not reference flowering plants. No further response is required.

**Response to Comment R-112:** The commenter is referred to **Response to Comment R-87** regarding the inadequacy of the ancillary structures (25%). No further response is required.

**Response to Comment R-113:** The commenter restates complaints about screening requirements. The commenter is referred to **Response to Comment R-99 and O-406**

**Response to Comment R-114:** The commenter states the 25% ancillary area is not adequate. The commenter is referred to **Response to Comment R-87**. No further response is required.

**Response to Comment R-115:** The commenter restates complaints about the screening requirements. The comment is referred to **Response to Comment R-99 and O-406**.

**Response to Comment R:116:** The commenter is referred to **Response to Comment R-87** regarding the inadequacy of the ancillary structures (25%). No further response is required.

**Response to Comment R-117:** The commenter questions specific measures related to the Tree Protection Plan. The specific tree protection measures would be decided on a site-by-site basis by a qualified arborist/biologist or other qualified person. No further response is required.

**Response to Comment R-118:** The commenter questions if a professional land surveyor is required. A professional land surveyor is not required provided the site plans and aerial photographs submitted by

the applicant show, accurately mapped, cultivation and ancillary structures within the landscape. If, however; engineering and grading plans are required, details would be required to show vegetation remove. No further response is required.

**Response to Comment R-119:** The commenter notes qualified parties with knowledge to complete tree surveys. The County agrees, and Section 4.1: *Aesthetics* specifically notes “qualified professional” with regard to tree surveys. No further comment is required.

**Response to Comment R-120:** The comment is in reference to a grammatical, spelling, or other syntax error. The, “s” was deleted.. No further response is required.

**Response to Comment R-121:** The sentence, “would be limited to a total of six plants, would require registration with the enforcing officer through an administrative action,” has been deleted. No further response is required.

**Response to Comment R-122:** The comment is in reference to a grammatical, spelling, or other syntax error. The, “s” was deleted and a “d” inserted. No further response is required.

**Response to Comment R-123:** The commenter states, “see previous comments on fencing.” The commenter is referred to **Response to Comment R-99** and **O-406**. No further response is required.

**Response to Comment R-124:** The commenter restates comments regarding fencing and vegetation. The commenter is referred to **Response to Comment R-99** and **O-406**. No further response is required.

**Response to Comment R-125:** The commenter is referred to **Response to Comment O-352** regarding blackout tarps and hoop-houses. No further response is required.

**Response to Comment R-126:** A “C” has been added. California Department of Conservation is previously discussed on page 4.2-1 of *Section 4.2 Agricultural Resources*.

**Response to Comment R-127:** The commenter is referred to **Response to Comment R-126**.

**Response to Comment R-128:** The commenter questions how, if agriculture is not considered an agricultural product per the County but the State requires registration as an agricultural employer, how cultivators certify they are agricultural employers. The two requirements related to registration are not mutually exclusive. As part of the State application, applicants will, if they have employees, identify as agricultural employers. No further response is required.

**Response to Comment R-129:** The commenter notes that the highlighted portion of text discussing the scope of the project and site-specific improvements that are part of the cumulative discussion and will be discussed on a project by project basis is not limited to the agricultural resources section. The County concurs. This comment is noted, and no further response is required.

**Response to Comment R-130:** The commenter restates the discussion regarding the 1,000-foot setback. The commenter is referred to **Response to Comment O-4, O-11, and O-53**.

**Response to Comment R-131:** The restates verbatim the question from Comment R-128. The commenter is referred to **Response to Comment R-128**. No further response is required.

**Response to Comment R-132:** The commenter restates complaints regarding the 25% ancillary structure limitation. The commenter is referred to **Response to Comment R-87**. No further response is required.

**Response to Comment R-133:** The comment notes ADPs should be added. In this discussion, CCPs and ADPs are evaluated individually within the impacts discussion. No changes is required. No further comment is required.

**Response to Comment R-134:** The comment notes ADPs should be added. In this discussion, CCPs and ADPs are evaluated individually within the impacts discussion. No changes is required. No further comment is required.

**Response to Comment R-135:** The comment notes ADPs should be added. In this discussion, CCPs and ADPs are evaluated individually within the impacts discussion. No changes is required. No further comment is required.

**Response to Comment R-136:** The commenter restates concerns regarding the 25% ancillary structure limitation. The commenter is referred to **Response to Comment R-87**. No further response is required.

**Response to Comment R-137:** The comment is in reference to a grammatical, spelling, or other syntax error. The, letter "f" was added and "r" deleted. No further response is required.

**Response to Comment R-138:** in the previous section ADPs and CCPs were discussed individually. In this instance the language, "and ADPs" was added for clarity. No further response is required.

The second portion of the comment states, that the commenter states a landowner has the right to withdraw from a Williamson Act Contract. The County concurs. No further response is required.

**Response to Comment R-139:** The commenter restates comment regarding the 1,000-foot setback. The commenter is referred to **Response to Comment O-4, O-11, and O-53**.

**Response to Comment R-140:** The commenter restates complaints regarding the 25% ancillary structure limitation. The commenter is referred to **Response to Comment R-87**. No further response is required

**Response to Comment R-141:** The commenter restates complaints regarding the 25% ancillary structure limitation. The commenter is referred to **Response to Comment R-87**. No further response is required

**Response to Comment R-142:** The commenter states that growth-inducing impacts of agricultural conversion should be considered growth inducing. The commenter is referred to Section 5.0: *Cumulative Impacts* regarding a discussion of growth inducement. No further response is required.

**Response to Comment R-143:** The commenter restates growth inducement should be evaluated. The commenter is referred to *Section 5.0 Cumulative Impacts* regarding a discussion of growth inducement. No further response is required.

**Response to Comment R-144:** The commenter restates comments about use of a Program level document and that subsequent projects require additional CEQA. The commenter states that the cannabis community is not well informed about this. The commenter is referred to **Master Response 1** regarding use of a program EIR, and **Response to Comment B-5, B-9, C-2, C-5, C-6, and C-8** regarding subsequent CEQA review. Part of the purpose of this EIR is to inform the public and stakeholders such as

the cannabis community, the CEQA process. The commenter is referred to Section 2: *Response to Comments* in the Final EIR which details the scoping process and other activities and efforts undertaken by the County to advise people on the CEQA process. No further response is required.

**Response to Comment R-145:** The commenter makes an introductory statement regarding comments to follow. This comment is noted. No further response is required.

**Response to Comment R-146:** The commenter indicates three uses of the word, “marijuana.” These instances are in reference to the current ordinance which uses this term. No changes have been made. No further response is required.

**Response to Comment R-147:** The, “t” was added based on previous comment by the commenter. No further response is required.

**Response to Comment R-148:** The commenter questions the 1,200 watts. The commenter is referred to Response to Comment O-425 which states in part, “indoor grow lights...” No further response is required.

**Response to Comment R-149:** The commenter states there is no application requirement for personal use. The County is uncertain what the commenter is referring to. The page cited discusses the No Project Alternative which states, “This alternative would allow cultivation in accordance with the current ordinance and state law providing for cultivation for personal use and for medical purposes only.” No further comment is required.

**Response to Comment R-150:** The commoner discusses state law and setback requirements. The page the commenter references is the No Project Alternative. The County concurs with the commenter. No further response is required.

**Response to Comment R-151:** The reference to personal use has been deleted based on a previous comment provided by the commenter. No further response is required.

**Response to Comment R-152:** The term, “smaller permitted cultivation,” is not in reference to personal use cultivation. This statement is in reference to the No Project Alternative. No further response is required.

**Response to Comment R-153:** The commenter states the alternative does not address the 3,500 existing cultivation sites and notes water diversion is just a part of the overall problem and having a No Project Alternative does not help protect any water resources. The No Project Alternative is a required element of CEQA and hence it is discussed. In accordance with State CEQA Guideline §15162.6, “The *No Project Alternative* shall be evaluated, along with its impacts. The no project analysis shall discuss the existing conditions at the time the notice of preparation was published, as well as what would be reasonably expected to occur in the foreseeable future if the project were not approved, based on current plans and consistent with available infrastructure and community services.”

The purpose of the No Project Alternative is not to reduce impacts, but to compare the impacts of a proposed project to that of not taking an action. No further response is required.

**Response to Comment R-154:** The commenter is referred to **Response to Comment O-201** and **O-204** regarding the use of tractors. No further response is required.

**Response to Comment R-155:** The commenter is referred to **Response to Comment O-435** regarding the security plan.

**Response to Comment R-156:** The commenter disagrees that impacts to public services under the No Project Alternative are substantially the same as the proposed project. The County acknowledges the disagreement. This comment will be forwarded to the County decision-makers for their review. No further response is required.

**Response to Comment R-157:** The commenter disagrees that impacts to recreation under the No Project Alternative are substantially the same as the proposed project. The County acknowledges the disagreement. This comment will be forwarded to the County decision-makers for their review. No further response is required.

**Response to Comment R-158:** The commenter disagrees that impacts under the No Project Alternative are substantially the same as the proposed project. The County acknowledges the disagreement. This comment will be forwarded to the County decision-makers for their review. No further response is required.

**Response to Comment R-159:** The phrase, “commercial and non-remuneration cultivation” has been added for clarity. No further response is required.

**Response to Comment R-160:** The reference to the slight reduction is in terms of utilities and service systems. The County acknowledges the commenters disagreement. The DEIR discusses, “Overall, impacts to utilities and service systems under this alternative would be reduced compared to the proposed project. Commercial cannabis cultivation under both the proposed project and this alternative would occur in AE, AG, and FR zones. This alternative would allow cultivation under the same restriction as the TPZ zone. Many of these areas would utilize an existing onsite wastewater treatment system such as a septic system and not require the use of off-site treatment. In addition, most cultivation would occur on properties with established residences that if not using onsite wastewater treatment system (OWTS), would already be using and not increase the demand for wastewater treatment such that new facilities would be needed. Both the proposed project and this alternative would occur on rural parcels and would incorporate agriculturally related uses and potential construction of ancillary structures. This would not require the demand for substantial drainage facilities, however, all uses would be required to comply with all storm water drainage permits including complying with NPDES and obtaining proper permits from the appropriate regional water quality control board. This would effectively reduce impacts from both the proposed project and this alternative. In both instances, NID has noted that adequate water supply is available to serve the proposed project and this alternative, although less water would be required under the “No Project” alternative. Therefore, impacts under this alternative would be slightly reduced compared to the proposed project.”

No further comment is required.

**Response to Comment R-161:** Regarding including of the 3,500 to the baseline, the commenter has made similar comments and questions. The commenter is referred to **Master Response 1**, and **Response to Comment K-12, K-18, O-4, and O-232**. No further comment is required.

**Response to Comment R-162:** The commenter notes that all cultivation on properties with the correct zoning can apply with no preference. The commenter is correct. Cultivators looking to be permitted will be accepted on a first come first served basis. No further response is required.

**Response to Comment R-163:** The commenter restates the setback and fencing and screening requirements. The commenter is correct regarding the 600-foot state setback requirement. The commenter is referred to **Response to Comment R-99** and **O-406**. No further response is required.

**Response to Comment R-164:** The comment is in reference to a grammatical, spelling, or other syntax error. A “,” has been added. No further comment is required.

**Response to Comment R-165:** The comment is in reference to a grammatical, spelling, or other syntax error. The word “in” has been added. No further comment is required.

**Response to Comment R-166:** The commenter restates disagreement with the evaluation of potential for employees and references previous comments from a previous comment letter submitted February 22, 2019. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees

**Response to Comment R-167:** The commenter restates disagreement with the demand for new housing and potential for population growth. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-168:** The commenter restates disagreement with the demand for new housing and potential for population growth and references previous comments from a previous comment letter submitted February 22, 2019. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-169:** The commenter restates disagreement with the demand for new housing and potential for population growth and references previous comments from a previous comment letter submitted February 22, 2019. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-170:** The commenter restates disagreement with the demand for new housing and potential for population growth and references previous comments from a previous comment letter submitted February 22, 2019. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-171:** The commenter notes the 30% Alternative and proposed project are not similar. The commenter is correct. They are not similar in that the cultivation area would be substantially reduced. However, as discussed, both the 30% Alternative and the Proposed Project, would be “similar in some regards.” No further response is required.

**Response to Comment R-172:** The commenter discusses electricity demand and provides estimates of energy needed by the 30% cultivation alternative (2,536,981 Megawatts). The commenter notes the number of solar panels (1,765,716) needed to provide 40% of the energy. The County acknowledges these estimates. The 30% cultivation alternative was compared to the proposed project, and energy impacts were found to be less. The comment is noted, and no further response is required.

**Response to Comment R-173:** The commenter notes the County does not allow water to be trucked in. The County concurs that water deliveries are not allowed under the proposed NCCO. No further response is required.

**Response to Comment R-174:** The commenter restates the assertion that water use in the DEIR is overestimated. The commenter states that a proposed project needs to be quantified for comparison against the original proposed project. The commenter is referred to **Response to Comment O-123, and O-130**, for water use.

**Response to Comment R-175:** The commenter notes it is not clear how many parcels would be available under the no groundwater alternative and determining impacts is difficult. The commenter is correct that the precise number of parcels that would be permitted for cultivation under this alternative is not specifically known. However; Section 5.0: *Alternatives* was able to and does compare the impacts of this alternatives in adequate detail to inform decision makers as to the impacts of each. It should be noted that the No Groundwater Alternative was found to have fewer overall impacts than the proposed project.

**Response to Comment R-176:** The commenter notes that most parcels are not adjacent to streams or rivers which flow year-round and disputes impacts from instream and riparian impacts being greater. This analysis found increased potential for these impacts to occur. While year-round flow is of concern, it is not required for use for cultivation. It would be anticipated that some cultivators, with the proper permits, would divert and store water in ponds or storage tanks for later use for irrigation. This would potential increase the number of water diversions creating a greater potential for such impacts to occur. No further response is required.

**Response to Comment R-177:** The commenter states that there are very strict State Water Resource Board requirements for rainwater capture. The comment is noted, and if cultivators choose to or use rainwater catchment, they would be expected to comply with all applicable requirement. No further response is required.

**Response to Comment R-178:** The comment is in reference to a grammatical, spelling, or other syntax error. The word “in” has been added. No further comment is required.

**Response to Comment R-179:** The comment is in reference to a grammatical, spelling, or other syntax error. The word “the” has been added. No further comment is required.

**Response to Comment R-180:** The comment is in reference to a grammatical, spelling, or other syntax error. The word “in” has been added. No further comment is required.

**Response to Comment R-181:** The comment is in reference to a grammatical, spelling, or other syntax error. The phrase “CCP and” has been added. No further comment is required.

**Response to Comment R-182:** The commenter restates comments about the creation of jobs, full-time employees, and housing units. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-183:** The commenter notes that any alternative smaller than the proposed project would have fewer impacts on population and housing. The County acknowledges the commenter disagrees with the conclusion related to population and housing increases. As stated in the DEIR and cited

above, “Although this alternative would result in fewer parcels on which it is economically viable to cultivate cannabis, it is not expected to substantially reduce the number of people that may move to into the County. Accordingly, this alternative would not result in the involuntary displacement of any existing residents and would not result in the need for replacement housing that would result in impacts to the environment.”

This comment is noted and will be forwarded to the County decision-makers for their review. No further response is required.

**Response to Comment R-184:** The commenter restates disagreement and states that up to 80% of existing cultivation uses groundwater. The comment is noted. The County does not have specific figures on the exact percentage of existing cultivation and what percentage uses groundwater. Many of the existing cultivation operations are illegal and hence many particular elements of the cultivation is unknown. While groundwater use is expected to decline under this alternative, cultivators do have other water sources such municipal suppliers, rainwater catchment, diversions, overland flow capture, etc. The commenter is referred to **Response to Comment K-45, K-46 and K-47**. No further response is required.

**Response to Comment R-185:** The commenter restates comments about the creation of jobs, full-time employees, and housing units. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-186:** The notes that cultivation could be substantially less depending on the number of parcels used for cultivation. The County agrees, that under this alternative and any alternative, impacts ultimately depend on the total number of parcels used for cultivation and the specific nature of the cultivation and environmental resources on the parcels.

**Response to Comment R-187:** The commenter states that it appears many of the comments in the alternatives section are cut and pasted. Some of the analysis for the various alternatives and impacts analysis are in fact similar to the analysis is similar. No further comment is required.

**Response to Comment R-188:** The commenter restates comments about the creation of jobs, full-time employees, and housing units. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees. The ultimate size of this alternative and cultivation projects that may occur under it are not known. The commenter is referred to **Response to Comment R-175**, for further discussion in this regard. No further response is required.

**Response to Comment R-189:** The commenter states that the impacts from the No Groundwater Alternative could be substantially less depending on the number of parcels. The County does not disagree that impacts could be reduced depending on the final make-up of parcels used for commercial cannabis cultivation. No further comment is required.

**Response to Comment R-190:** The commenter notes that that without knowing the specific constituency of the No Groundwater Project Alternative an impact comparison cannot be made. The commenter is referred to **Response to Comment R-175 and R-184** which discusses the comparison of impacts and the difficulty in assessing the specific nature of impacts to each resource area.

**Response to Comment R-191:** The commenter states a reduction would not increase any demand for wastewater treatment. The comment is noted. No further response is required.

**Response to Comment R-192:** The commenter restates there is no indication of project size by which to compare to the proposed project. The commenter is referred to Response to Comment **Response to Comment R-175** and **R-184**. As discussed above, although the specific impacts are not known and cannot be known, overall impacts from the No Groundwater Alternative would be anticipated to be less than the proposed project.

**Response to Comment R-193:** The commenter cites DEIR text section and cultivation would occur specifically in the RA-Rural zone. The comment is noted. No further response is required.

**Response to Comment R-194:** The commenter notes that the 20,833 parcels used for the RA Zones Alternative appears to be inaccurate. The commenter notes the number of parcels with residences. The 20,833 total parcels with RA designations is correct. The commenter is referred to **Response to Comment Q-43**.

**Response to Comment R-195:** The commenter provides additional analysis based on ratios in the AE, AG, and FR zones with residences. The commenter is referred to **Response to Comment R-194** above.

**Response to Comment R-196:** The commenter refers to previous comments submitted regarding parcels in the RA zone. The commenter is referred to **Response to Comment R-194**, above.

**Response to Comment R-197:** The commenter restates comments regarding the use of the 27,027 parcels in the AE, AG, and FR, zones. The commenter restates comments regarding requirement for new homes, increased population, full-time jobs, and a previously referenced study, "Economic Impact Study of Cannabis Sector in the Greater Sacramento Area." Please see **Master Response 1**, regarding baseline, **Response to Comment K-4, K-6, K-12, K-16, K-18, L-5, L-6, and O-129**, related to parcel utilization, **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees, and **Response to Comment O-231, and O-400**. No further comment is required.

**Response to Comment R-198:** The commenter restates arguments stated immediately above and throughout all associated comment letters. The County acknowledges the commenters concerns and notes the commenter statement about bans not working and the fact cultivation has been occurring in RA zones for the last 50 years. This comment as well as all other comments will be presented to the County decision-makers for their review. The commenter is referred to **Response to Comment O-229, O-230, and O-232**, regarding production of cannabis.

**Response to Comment R-199:** The commenter is referred to **Master Response 1**, regarding baseline the commenter is referred to **Response to Comment K-4 and K-12, K-17, K-18, O-8, and Response to Comment K-4, K-5, K-6 and R-194** regarding parcels in the RA zone. In regard to the request for a way for cultivators in RA parcels to obtain permits so they will not have to operate illegally, should they choose to continue, will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-200:** The commenter restates comments regarding Alternative 5 and recopies the table from comments provided February 22, 2019. The commenter states that the alternative is environmentally superior and should be considered. The comment is noted and will be forwarded to the County decision-makers for their review. The details of Alternative 5 were considered in both Comment

Letters P and Q provided by the commenter, both of which referenced and discussed Alternative 5 in detail.

**Response to Comment R-201:** The commenter states the RA zones should be allowed the same canopy square footage. The comment is noted. Due to the generally higher population density in the RA zones, the canopy size was reduced. This suggestion will be forward to the County decision-makers for their review. No further response is required.

**Response to Comment R-202:** The commenter disagrees with the number of parcels evaluated with the RA designation. The commenter is referred to **Response to Comment Q-43** and **R-194**. No further comment is required.

**Response to Comment R-203:** The commenter notes the DEIR states the overall impacts to timberland would increase under the Cultivation in RA Alternative. This is true because more lands would be opened to cultivation. The commenter also not that the commenters proposed Alternative 5 would reduce impacts to timberlands. Based on the commenters analysis the County agrees. This suggestion will be forward to the County decision-makers for their review. No further response is required. No further comment is required.

**Response to Comment R-204:** The commenter restates that the Cultivation in RA Zone Alternative is using all RA parcels instead of only (RA-Rural). The commenter states that under the commenters proposed Alternative 5 air quality impact including greenhouse gas emissions would be considerably less. The commenter also states smells from cannabis are a county wide issue. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-205:** The commenter copies the text from Comment R-204 and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to biological resources would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-206:** The commenter copies the text from Comment R-204 and R-205 and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to cultural resources would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-207:** The commenter copies the text from Comment R-204, R-205, and R-206 and notes that under the proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to geology and soils would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-208:** The commenter copies the text from Comment R-204, R-205, R-206, and R-207 and notes that under the proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to hazardous materials would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-209:** The commenter copies the text from Comment R-204, R-205, R-206, R-207, and R-208 and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to hydrology and water quality would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-210:** The commenter notes that conflicting land uses can be resolved by not considering the RA parcels adjacent to the existing cities. No further comment is required.

**Response to Commenter R-211:** The commenter copies the text from Comment R-204, R-205, R-206, R-207, R-208, and R-209 and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to land use and planning would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-212:** The commenter states no new impacts for Mineral Resources. This comment is informational in nature and is not in conflict with the content of the EIR. This comment will be forwarded to the County decision-makers for their review and consideration. No changes to the EIR were made as a result of this comment.

**Response to Comment R-213:** The commenter copies the text from Comment 204, 205, 206, 207, 208, 209, and 211, and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to noise would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-214:** The commenter notes the estimates previously provided for employees, housing, and total new workers needed in support industries. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-215:** The commenter copies the text from Comment 204, 205, 206, 207, 208, 209, 211, and 213, and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to population and housing would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-216:** The commenter copies the text from Comment 204, 205, 206, 207, 208, 209, 211, 213, and 215, and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to public services would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-217:** The commenter copies the text from Comment 204, 205, 206, 207, 208, 209, 211, 213, 215, and 216, and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to recreation would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-218:** The commenter copies the text from Comment 204, 205, 206, 207, 208, 209, 211, 213, 215, 216, and 217, and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to transportation and traffic would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-219:** The commenter states that electricity was not covered. The FEIR has been revised to include the discussion. Impacts would be reduced compared to the proposed project. The commenter restates disagreement with the energy calculations and discusses alternative energy demands. The commenter is referred to **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy.

**Response to Comment R-220:** The commenter copies the text from Comment 204, 205, 206, 207, 208, 209, 211, 213, 215, 216, 217, and 218, and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 impacts to utilities and service systems would be greatly reduced. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-221:** The commenter notes not all parcels are in the NID service area and the commenter provides an estimate that 80% use groundwater. The comment is noted. No further response is required.

**Response to Comment R-222:** The commenter notes that people in RA have been cultivating cannabis for 50 years and they need a logical path to legal permits. The commenter then copies the text from Comment 204, 205, 206, 207, 208, 209, 211, 213, 215, 216, 217, 218, and 220 and notes that under the commenters proposed Alternative 5, 683 RA-Rural zone permits would be issued and provides details on cultivation area that would be allowed. The commenter notes that under the Alternative 5 would permit cultivation on far fewer parcels than the proposed project. The comment is noted. The County acknowledges these comments and they will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-223:** the commenter notes that the No Permanent Structures in the Designated Farmland Alternative was not shown in the description. This Alternative is discussed in detail under subsection 6.2.2 *Alternatives Analyzed in this EIR*. The commenter states that this alternative would increase outdoor cultivation, reduce mixed-light and indoor, decrease overall yield, reduce employees, and reduce electric use. The comment is noted and will be referred to the County decision-makers for their review. No further comment is required.

**Response to Comment R-224:** The commenter states that the references Alternative 5 would be the environmentally superior alternative and is superior to the proposed project, the 30% Alternative and RA Alternative. This comment is noted and will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-225:** The commenter restates previous comments regarding the use of 27,207 parcel, baseline, new homes, employment, and population growth. This comment is copied from previous comments. The commenter is referred to **Response to Comment R-20, O-223, O-226, O-236, O-237** regarding population, housing, and employees.

**Response to Comment R-226:** The commenter restates and copies previous comments regarding energy use and water use, area of disturbance, alternative energy, as well as cannabis production in comparison to State demand. The commenter is referred to **Response to Comment O-337, O-338, O-341, O-342, O-343, O-344, O-345, O-346, and O-348** regarding energy and **Response to Comment O-229, O-230** regarding cannabis production, and **Response to Comment R-21** regarding disturbance area.

**Response to Comment R-227:** The commenter restates and copies previous comments regarding the RA parcels. The commenter is referred to **Response to Comment R-194 and Q-43**.

**Response to Comment R-228:** The commenter restates the suggestion that the Alternative 5 be adopted and restates figures regarding cultivation areas. The comment is noted and will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-229:** The commenter restates calculations provided for Alternative 5 related to employees, electricity, water use, disturbed area, and saleable pound of cannabis. The comment is noted and will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-230:** The commenter restates that the Alternative 5 is superior to the proposed project and other alternatives presented in the DEIR. The comment is noted and will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-231:** The commenter restates that the Alternative 5 should be considered as the preferred alternative. The comment is noted and will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-232:** The commenter states that the Alternative 5 best meets the project objectives and reduces overall impacts to less than 20% of the proposed project. The comment is noted and will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-233:** The commenter restates that the Alternative 5 should be evaluated and considered as the preferred alternative. The comment is noted and will be forwarded to the County decision-makers for their review. No further comment is required.

**Response to Comment R-234:** The commenter provides comments on Sections 7.0, 8.0, 9.0, and 10.0 of the Draft EIR. This comment is informational in nature and is not in conflict with the content of the EIR. This comment will be forwarded to the County decision-makers for their review and consideration. No changes to the EIR were made as a result of this comment.

**Response to Comment R-235:** The commenter provides an article dated May 2015 – Humboldt County Cannabis Water Use Study. This study is previously cited and copied and pasted into other of the commenters submittals. This study is noted. No further response is required.

**Response to Comment R-236:** The commenter provides an article dated September 23, 2015 entitled Cannabis Cultivators Report on Water Usage. This article is noted and will be provided to the County decision-makers for their review.

**Response to Comment R-237:** The commenter provides a letter (February 19, 2018) previously sent to the Nevada County Board of Supervisors regarding Cannabis Cultivation in RA Parcels. The commenter notes that he had attended CAG meetings and recommended cultivation in RA parcel. This comment is noted and will be forward to the County decision-makers for their review.

**Response to Comment R-238:** The commenter notes that the RA zone includes many similarities to AE, AG, and FR zones. This letter was submitted prior to the drafting and circulation of the DEIR. This comment is noted and will be forward to the County decision-makers for their review.

**Response to Comment R-239:** The commenter provides a letter (April 27, 2018) previously sent to the Nevada County Board of Supervisors regarding the Cannabis Cultivation Draft Ordinance. The commenter provides a history of cultivation in the County, a review of the CAG process, locks existing growers out, and provides commenter related to Sections G, H, I, J, K, L & M of the ordinance. This letter was submitted prior to the drafting and circulation of the DEIR. This comment is noted and will be forward to the County decision-makers for their review

**Response to Comment R-240:** The commenter provides a letter (May 5, 2018) previously sent to the Nevada County Board of Supervisors regarding the RA- Rural Zoned Properties and Cannabis Cultivation Ordinance. This letter was submitted prior to the drafting and circulation of the DEIR. This comment is noted and will be forward to the County decision-makers for their review

**Response to Comment R-241:** The commenter provides a highlighted list of allowable uses within the RA zone and compares the uses to the definitions of residential neighborhoods. The commenter then provides a discussion on the RA-Rural zones, commercial cannabis prior to 2018, and a final note discussing the number of cultivation sites in California. This letter was submitted prior to the drafting and circulation of the DEIR. This comment is noted and will be forward to the County decision-makers for their review.

**Response to Comment R-242:** The commenter provides a letter (May 19, 2018) previously sent to the Nevada County Board of Supervisors regarding the RA- Rural Zoned Properties and Urgency Ordinance for Cannabis Cultivation. This letter provides the same information described above regarding RA zone uses,

residential neighborhood definition and other topics, as well as addressing economic impacts in the EIR, looking forward, and conclusion. This comment was submitted prior to the drafting and circulation of the DEIR. This comment is noted and will be forward to the County decision-makers for their review

**Response to Comment R-243:** The commenter provides a letter (May 24, 2018) requesting to be on the scoping notification. The commenter cites CEQA § 15126.6 related to alternatives and suggests an alternative considering cultivation in the RA zone on parcel larger than 5 acres. The DEIR did include an evaluation of cultivation in the RA Zone under the Cultivation Allowed in RA Zones Alternative. This comment is noted and will be forward to the County decision-makers for their review

February 25, 2019

Nevada County Community Development Agency  
950 Maidu Avenue, Suite 170  
Nevada City, CA 95959

Attention: Brian Foss, Planning Director

E-mail: [planning@co.nevada.ca.us](mailto:planning@co.nevada.ca.us)

**Regarding: Comments on Draft EIR for Proposed Nevada County Commercial Cannabis Cultivation Ordinance Project – Comments on Appendix for Draft EIR**

Submitted By:

Gary M. Baker  
Plan-aire Landscape Architects and Planners  
12373 Creek View Drive  
Grass Valley, Calif. 95949

(530) 268-3500

E-mail: [gary@plan-aire.com](mailto:gary@plan-aire.com)

Dear Community Development Department:

The following comments are provided for the Appendix document for the Draft EIR. These were mistakenly omitted from the third set of comments for the Draft EIR submitted earlier today. This document represents the fourth and final submittal of comments for the Draft EIR.

I am available to review any of these comments or any previous comments provided at your convenience.

Thank you for the opportunity to provide this first part of the comments for the Draft EIR.

Gary M. Baker

Grass Valley, California

S-1

## NCCO Draft EIR – Comments on Appetencies for the Draft EIR

Page 200 and Page 201

**From:** Tracy Huston <tracyehuston@gmail.com>

**Sent:** Monday, September 10, 2018 3:36 PM

**To:** Planning; Hank Weston

**Subject:** Nevada County Commercial Cannabis Cultivation Ordinance NOP Scoping Comments

**Attachments:** ENVIRONMENTAL IMPACTS\_WATER Summary and Comparison to Other Ag Crops.pdf

Nevada County BOS, CDA, and Concerned Stakeholders: I am writing as both a strong supporter of appropriately regulated cannabis cultivation and as an environmentalist. I believe without doubt that it is through reasonable regulatory measures that we will both protect our environment and the economic future of our county. To that end, I hope the County and all contributors to the EIR will proceed with a fact-based, data-driven, and transparent process that results in maximum participation in permitting while assuring appropriate conservation countermeasures. In order to contribute to our growing knowledge base, I am writing today to correct some **erroneous assumptions about the amount of water required for cannabis cultivation, and to share some published research on water use for cannabis** (summary data and charts attached, referenced with sources).

The County has quoted an assumption that cannabis requires 6 gallons of water per day per plant. I, like many others, had heard this figure, but wondered at its validity. Here is what I learned from published research:

- **Humboldt Study, 2010.** The 6 gallon per day per plant figure came from the 2010 Humboldt study. However, Humboldt and other industry analysts report that the figure was based on only 150 days of the growing season when plants are largest and weather hottest, requiring the most water, and did not account for the remaining 90 days of their 240 day growing season when plants are small, weather cooler, and water usage far less. Additionally, the study only included large outdoor grows with very large plants, and did not factor in greenhouse and light deprivation techniques with much smaller plants requiring far less water (1 to 4 gallons per day depending on plant size and yield, per studies below).

Thus, the 6 gallon per day per plant figure is inaccurate as an average. The Humboldt study was, hence, questioned by many other county regulatory agencies and cultivation industry associations, their findings summarized below and in the attached.

S-2

- Mendocino Cannabis Policy Council and Emerald Growers' Association Study. Prompted by contrary experience to the Humboldt study figures, Mendocino undertook their own study, including diversity of growing techniques (outdoor, greenhouse, light deprivation, as is typical of Nevada County). **Their study revealed that farmers were using on average between 2 to 4 gallons per day per plant.** Further, the study analyzed the amount of water used to generate comparable yields, so that the wide array of growing techniques could be distilled into a realistic assumption about water use as an average. They found that **on average cannabis requires 1 gallon of water per 1 plant per 1 pound of dried flower (1:1:1).** This metric has been useful in assessing water use based on differences in plant sizes at maturity/time of harvest, as well as differing water requirements over the course of the growing season, and thus provides a far more accurate average than the Humboldt study. Furthermore, the 1:1:1 metric allows concerned agencies and community members to assess the relative water resource use of cannabis versus other agricultural products. As the attached summary **data shows, 1 pound of dried cannabis flower requires on average 240 gallons of water to produce,** whereas 1 pound of beef requires 1500 to 1800 gallons of water, 1 pound of olives 361 gallons of water, 1 pound of plums 261 gallons of water, and 1 bottle of wine 180 to 400 gallons of water. These documented facts dispel the myth that cannabis cultivation poses a threat to our water resources as much or more than other agricultural products.

- **California NORML Study, 2015.** To further test the validity of the Humboldt and Mendocino studies, as well as to test differences in different growing regions throughout the state, California NORML conducted a study with representative samples from El Dorado, Placer, Humboldt, and Mendocino counties (with samples taken from outdoor growing farms only). **Their study showed an average of 2.4 gallons per day per plant, with the water-to-yield ratios comparable to the Mendocino study of 1:1:1.**

Clearly, the 6 gallons of water per day per plant is not an accurate assumption. And, we need a realistic forecast of water use, so that 1) we can protect our water resources; 2) we avoid what may be unnecessarily restrictive code that will limit permitting without cause, and that would clearly with the intent of the General Plan and agricultural Land Use policy for our county. **I therefore request that County agencies and contributors to the EIR use a corrected average of 2 to 4 gallons per day per plant (a 3 gallons per day average), when considering cultivation baseline and cumulative impacts on water resources.**

If the County or other contributing agencies have research-based evidence that shows water use for cannabis is higher than the referenced studies indicate, I request to see it, as I remain first and foremost a concerned neighbor and environmentalist, and would like the facts to govern our policy decisions. Lastly, it is worth comparing water use for

S-2  
cont'd

S-3

S-4

cannabis based on license type/farm size versus other types of water use which we accept and allow today. According to the State of California, 1 person uses on average 85 gallons of water per day. A typical family of 4 uses 340 gallons of water per day. Even using the erroneous and overly high figure of 6 gallons per day per plant, a 25-plant farm (specialty cottage license) would use only 150 gallons of water per day, less than half of what one household uses per day. A 5000sf outdoor cottage licensed farm with 50 plants would use less than 300 gallons per day - less than a family of 4. A 10,000sf, 100 plant farm would use less than 600 gallons per day, which is comparable to water usage for a parcel with a primary residence and one 1800sf accessory dwelling, which county code allows and is of no apparent concern for its environmental impact, as it would be within the bounds of the Land Use Zoning ordinance. Wineries use on average 25,000 gallons of water per week per acre, with water use unregulated.

While I applaud reasonable and necessary regulation to ensure protection of our shared natural resources, equity and precedent matter a great deal in forming new policy, with comparable agricultural resource uses considered objectively along with cannabis cultivation as mere "crops", without bias due to stigma.

Many of the water use figures referenced in this letter were included in the water use analysis as part of the 3<sup>rd</sup> set of review comments for the Draft EIR submitted February 25, 2019. Water use is a very component of the Draft EIR. When water use is overinflated, the environmental impacts are being misrepresented just as when figures are underreported like in employment and electrical use in the Draft EIR. Accuracy is a vital component of any project evaluation.

Page 738

After reviewing the details of the proposed Ordinance and the growing methods allowed by the Ordinance, a water use comparison was identified. The water demand information was derived from a Cannabis Water Use Study published in the Humboldt Grower in 2015.

This shows 6 gallons per plant

As a result of these restrictions, the test group from the Humboldt Grower study mimics a typical residential grow style that may be found in Nevada County. The method presented is known as the greenhouse light deprivation method of growing which typically involves cloned plants that have a relatively short growth cycle. The plants are typically grown in an elevated lined bed with about 25 gallons of soil per plant. This method results in a 90-day crop cycle allowing for up to 4 crops per year.<sup>12</sup>

The actual number is closer to 3 cycles per year for mixed-light Tier 2, and 2.5 cycles per year for mixed-light Tier 1.

Page 740

Table 2-1 shows the calculations used to generate a demand number for Residential cannabis production in Nevada County. There are 26,993 parcels available for the production of cannabis based upon the Ordinance regulatory structure. The calculated gallons per year for total production of the 26,993 parcels is 34,483,558 gallons (approximately 34 million gallons) or approximately 106 acre-feet per year. Accordingly, if all 26,993 parcels that are available for the production of cannabis actually produce cannabis to the fullest extent allowed by the Ordinance, the additional water supply needed County-wide would be 106 acre-feet per year. This is a very small amount of water.

The Draft EIR shows 27,207 parcels.

Page 741

**Zoning Parcel Count Max Use (gpy per parcel) Use AFY**

|                        |         |                                  |
|------------------------|---------|----------------------------------|
| AG (>2-5 acres) 6263   | 24,594  | 473                              |
| AE (>2-5 acres) 20     | 24,594  | 2                                |
| FR (>2-5 acres) 553    | 24,594  | 42                               |
| AG (>5-10 acres) 7604  | 122,969 | 2,870                            |
| AE (>5-10 acres) 25    | 122,969 | 9                                |
| FR (>5-10 acres) 599   | 122,969 | 226                              |
| AG (>10-20 acres) 5095 | 245,938 | 3,845                            |
| AE (>10-20 acres) 12   | 245,938 | 9                                |
| FR (>10-20 acres) 591  | 245,938 | 446                              |
| AG (>20 acres) 4225    | 491,875 | 6,378                            |
| AE (>20 acres) 389     | 491,875 | 587                              |
| FR (>20 acres) 1831    | 491,875 | ,764                             |
| <b>Total 27,207</b>    |         | <b>17,650 Acre Feet of Water</b> |

The Draft EIR shows 5,669,122,615 gallons of water (17,651 acre feet) used for the commercial cultivation project. This is 20.61 gallons per square foot per year which is contemplating that all cultivation sites, indoor, mixed-light and outdoors are growing 4 cycles per year. When the water use is recalculated based on indoor grows averaging 3.5 cycles, mixed-light 1 at 2.5 cycles, mixed-ight 2 at 3 cycles and outdoor cultivation at 1 grow cycle per year the water use is reduced to 6.88 gallons per square foot annually. This reduces overall water demand to 1,262,822,400 or 3,875 acre feet for the 27,207 parcels.

Page 757

*Groundwater conditions in the majority of Nevada County are not well understood, with the exception of the Martis Valley. The fractured rock aquifers provide water supplies for irrigation and residential use but are largely unexplored and unmapped. There are 19,357 registered wells in Nevada County on parcels where permitted cannabis cultivation could occur under the draft Ordinance.<sup>20</sup>*

*This is an interesting figure considering that there are only 12,665 parcels with residences in the AE, AG and FR zones.*

S-9

## Response to Comment Letter S – Gary Baker

**Response to Comment S-1:** The commenter provides introductory statement. This comment is noted. No further response is required.

**Response to Comment S-2:** The commenter provides information regarding the water use rates for cultivation. The commenter provides information from Mendocino Cannabis Policy County and Emerald Growers Association and California NORML. These studies are noted and were also noted in other comments in which they were discussed. No further discussion is required.

**Response to Comment S-3:** The commenter states the that the 6 gallons of water per day is not an accurate assumption and requests that the EIR use an average of 2 to 4 gallons per day. The commenter is referred to Response to Comment **Response to Comment O-123, and O-130**, for water use. No further response is required.

**Response to Comment S-4:** The commenter draws a comparison to use of a single-family residence. The commenter states that the water use is an important part of the DEIR and when the numbers are overinflated the environmental impacts are misrepresented. The comment is noted, and the commenter is referred to **Response to Comment O-123, and O-130**, for water use. No further response is required.

**Response to Comment S-5:** The commenter notes the Humboldt Grower study uses 6 gallons per plant. The County agrees with the comment. No further response is required.

**Response to Comment S-6:** The commenter notes that the actual number is closer to 3 cycles per year not the 4 discussed in the Water Supply Evaluation. This comment is noted, and the commenter is referred to **Response to Comment O-123, and O-130**, for water use and associated disagreement.

**Response to Comment S-7:** The commenter states there are 26,993 parcels eligible for cultivation. The DEIR used 27,207 parcels based on current County numbers of eligible AE, AG, and FR zoned parcels. No further comment is required.

**Response to Comment S-8:** The commenter disagrees with the water use estimates in the DEIR. The commenter restates the table contained in the Water Supply Evaluation (WSE). The commenter states that the total water use is overestimated. As discussed in the WSE, “all commercial grows are assumed to be irrigated in the outdoor fashion for a single grow. This cropping type is defined by large separate beds per plant with a single longer growing season and plants reaching several feet tall by the time of harvest. This calculation methodology was used because outdoor water consumption will result in a more conservative water demand and account for the inexperienced growers that may choose to start with outdoor cultivation.” The County recognizes that a conservative water demand was used. This information will be forward to the Planning Commission for their review. No further response is required.

**Response to Comment S-9:** The commenter notes that there are only 12,665 parcels in the AE, AG, and FR zones. There are 27,207 parcels greater than 2 acres in these zones based on the latest County Assessor data used in the EIR. No further response is required.

# THINGS TO DO TODAY

RECEIVED

FEB 25 2019

NEVADA COUNTY  
PLANNING DEPARTMENTFinished ☒Date 2-25-19 NCCO DEIR

|    |                                                                                                                          |                                     |
|----|--------------------------------------------------------------------------------------------------------------------------|-------------------------------------|
| 1  | PLEASE Investigate the <del>following</del> suggested mitigation measures for the following impacts                      | <input checked="" type="checkbox"/> |
| 2  | 4.2.1 Unavoidable conversion of Important Farmland                                                                       | <input type="checkbox"/>            |
| 3  | MM 1. Situate cannabis accessory buildings off of Important Farmland<br>All GRADING Also. 4.3.14                         | <input type="checkbox"/>            |
| 4  | MM 2. Increase the setbacks on larger parcels (220A). 100' to 300'                                                       | <input type="checkbox"/>            |
| 5  | plus the grow area closer to the grower's residence than the neighbors. Yolo County is having                            | <input type="checkbox"/>            |
| 6  | a problem with grow sites too close to traditional Agricultural operation                                                | <input type="checkbox"/>            |
| 7  | MM 3. Increase setbacks if next to a vineyard. Wineries in Sonoma                                                        | <input type="checkbox"/>            |
| 8  | County are cancelling contracts with vineyards that are too close to                                                     | <input type="checkbox"/>            |
| 9  | cannabis grow sites.                                                                                                     | <input type="checkbox"/>            |
| 10 | MM 4. Parcelization (4 way split/subdivision) of Ag zoned land in order to MAXIMIZE the number of grow sites. Discourage | <input type="checkbox"/>            |
| 11 | such land splits by a moratorium on growing cannabis for a specified amount of time                                      | <input type="checkbox"/>            |
| 12 |                                                                                                                          | <input checked="" type="checkbox"/> |

# THINGS TO DO TODAY

Date Page 2

Finished ☒

|    |                                                                                               |                          |     |
|----|-----------------------------------------------------------------------------------------------|--------------------------|-----|
| 1  | ① Unavoidable overusing of Water Resources<br>GROUND water + Surface Water                    | <input type="checkbox"/> |     |
| 2  | MM5 state AND a vigorous Local<br>enforcement to prevent these impacts                        | <input type="checkbox"/> |     |
| 3  | 1. overdrafting of ground water<br>2. Contamination + Pollution<br>of groundwater + watershed | <input type="checkbox"/> | T-2 |
| 4  | 3. Diverting water.<br>4. Grading + Erosion in watershed                                      | <input type="checkbox"/> |     |
| 5  | What does a vigorous Local Enforcement<br>Effort look like? To prevent the Above.             | <input type="checkbox"/> |     |
| 6  | ? Does NID have plenty of <del>water</del><br>surface water to make up for                    | <input type="checkbox"/> |     |
| 7  | the overdrafting of GROUND water?                                                             | <input type="checkbox"/> | T-3 |
| 8  | c. Nursery stock from out of County<br>Does the Agricultural Commissioner                     | <input type="checkbox"/> |     |
| 9  | have enough funding to inspect all<br>incoming shipments?                                     | <input type="checkbox"/> | T-4 |
| 10 | out of County nursery stock can transport<br>destructive insects/ viruses etc.                | <input type="checkbox"/> | T-5 |
| 11 | AND cause major harm to local Ag                                                              | <input type="checkbox"/> |     |
| 12 |                                                                                               | <input type="checkbox"/> |     |

# THINGS TO DO TODAY

Date page 3

Finished ☒

|    |                                                                                                                                     |                          |
|----|-------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 1  | Basically, please identify all potentially feasible mitigation measures to prevent                                                  | <input type="checkbox"/> |
| 2  | 1. <del>unavoidable</del> loss of important farmland                                                                                | <input type="checkbox"/> |
| 3  | 2. Overdrafting of Ground Water,                                                                                                    | <input type="checkbox"/> |
| 4  | <del>By</del> Declaring them unavoidable <sup>impacts</sup> does not help me find a way to diminish the <del>extra</del> impacts to | <input type="checkbox"/> |
| 5  | a less significant level.                                                                                                           | <input type="checkbox"/> |
| 6  | Lighting                                                                                                                            | <input type="checkbox"/> |
| 7  | Indoor growing uses lots of energy.                                                                                                 | <input type="checkbox"/> |
| 8  | please study the use of LED grow light. I have been told that they use 1/8 <sup>th</sup> the energy                                 | <input type="checkbox"/> |
| 9  | with no significant heat buildup.                                                                                                   | <input type="checkbox"/> |
| 10 | Rich Johansen                                                                                                                       | <input type="checkbox"/> |
| 11 | RichJohansen415@gmail.com                                                                                                           | <input type="checkbox"/> |
| 12 |                                                                                                                                     | <input type="checkbox"/> |

T-6

T-7

## Response to Comment Letter T - Rich Johansen

**Response to Comment T-1:** The comment requests the County to address proposed mitigation measures regarding farmland conversion, increased setbacks, and subdivided land. The EIR addresses potential impacts on Prime Farmland, Unique Farmland, and Farmland of Statewide Importance. Mitigation Measure 4.2.1 requires future applicants to demonstrate that site improvements and accessory structures have been located on the property such that impacts on important farmland are minimized to the maximum extent practicable. The EIR concluded that even with the implementation of Mitigation Measure 4.2.1 potential impacts would remain significant and unavoidable.

Regarding setbacks the commenter is referred to **Response to Comment M-4, O-4, O-11, and O-71**. The EIR concluded that impacts from cannabis cultivation odors would be significant and unavoidable.

Regarding subdividing parcels, the proposed NCCO does not regulate the subdivision of parcels. Any parcel in which commercial cannabis cultivation is proposed would be required to meet the Cultivation Restrictions in Section D of the proposed NCCO. No changes to the EIR were made as a result of this comment.

**Response to Comment T-2:** The comment states that the NCCO should include a mitigation measure that requires groundwater monitoring and enforcement to protect overdrafting of groundwater wells. The EIR evaluates the potential use of groundwater wells for commercial cannabis cultivation. Because it is unknown how much groundwater exists in the fractured rock aquifers in western Nevada County, how many potential growers would use groundwater, and that the County currently does not regulate groundwater use, potential impacts on groundwater supply was determined to be significant and unavoidable.

**Response to Comment T-3:** The comment asks if the Nevada Irrigation District has sufficient surface water supply if groundwater wells are overdrafted. Please see **Response to Comment J-13** regarding a discussion on NID water supply. No changes to the EIR were made as a result of this comment.

**Response to Comment T-4:** The comment asks if the County Agricultural Commissioner will inspect incoming plant containers. Please see **Response to Comment H2-3**. No changes to the EIR were made as a result of this comment.

**Response to Comment T-5:** Please see **Response to Comment H2-3**. No changes to the EIR were made as a result of this comment.

**Response to Comment T-6:** The comment requests that feasible measures for loss of important farmland and overdrafting of groundwater be included in the EIR. As noted in **Response to Comment to Comment T-1**, the EIR includes Mitigation Measure 4.2-1 to minimize permanent impacts to prime and important farmland to the maximum extent practicable which would be enforced during the site plan review process when an application is submitted. No other feasible mitigation was identified. No feasible mitigation measures were identified regarding the use of groundwater for commercial cannabis cultivation. The County does not currently regulate groundwater use for other land uses within the unincorporated area. Further, it is not known at this time how many applicants would propose to use groundwater or which parcels in the County would use groundwater. For these reasons, potential impacts as a result of

groundwater use were determined to be significant and unavoidable. No changes to the EIR were made as a result of this comment.

**Response to Comment T-7:** The comment notes that indoor cannabis cultivation uses lot of energy and that light emitting diodes (LED) light bulbs less energy. Energy use was evaluated in *Section 4.17 Energy*. The use of LED bulbs was considered in the energy use estimates discussed under Impact 4.17-1 in Section 4.17.4 of the EIR. No changes to the EIR were made as a result of this comment.

# Comments to NCCO draft EIR

Shelby Sachs, P.E.

Resident: Perimeter Rd. Licensed Civil Engineer;

Geohydrology, Soil and Water Resources

My comments include the section/subsection reference and a reference phrase copied below from EIR

## 1.0 Introduction

- A. The proposed NCCO.....implements standards to help address neighborhood compatibility concerns and the provision of services and utilities, and implements procedures meant to protect natural resources and the environment.

**Comment:** I am unaware of any such compatibility standards outside of basic zoning. Please reference that section.

We live in a residence on AG zoned land, and a cannabis farm is being built next to our house under the forthcoming NCCO, and have been told that the AG use proposed is primary to our residential quality of life, leaving no room for compatibility review or provisions, environmental review before permitting of structures and construction took place.

U-1

- B. In sum, the proposed project, in conformance with existing laws, would regulate and provide management oversight to cannabis cultivation in a way that is intended to protect the environmental and preserve the existing neighborhood character and quality of life for all residents within the County.

**Comment:** The two 4,000 square foot greenhouses and 1,440 sq ft processing building build next to my house has been under construction since last summer. The character of our neighborhood and farmland has been forever changed with these permanent structures that will be here long

U-2

after the corporation funding them is gone. Both points of above sentence are invalid and this action was not taken prior to authorization to construct.

Comment; No special review of this nature or pre qualification was done on the site prior to construction permits issued by the CDA, nor any notification the neighbors first, which has led to visual degradation of the entire viewshed which is visible from Perimeter and Metcalf Rd, prior to fence placement, glare, neighbor conflicts, grading and tree removal on our property along driveway without our notification, impacted drainage, compromised access due to road degradation due to construction traffic, standing water from compacted soils at project site bringing mosquitos.

At a minimum, a confirmed survey showing corner points of property confirming parcel size should be required before any permits to construct are issued, or plant canopy amounts are assumed for permit application completion. Also, initial studies and a pre qualification of the site prior to issuance of permits under general AG use should be done UPFRONT, not once the applicants have already built, and then apply for an ADP (or other permit type later).

That way data exchange and suitability of sites is known ahead of time, not after money on structures, environmental degradation, and conversion of farmland has taken place.

U-2  
cont'd

U-3

U-4

U-5

## 2.2 PROJECT OVERVIEW

The proposed NCCO has been written, in part, to remedy existing environmental degradation to water quality, creation of objectionable odors, land use conflicts, impacts biological resources, and to address potential use of agricultural and forest resources, and protect the visual character of the County.

**Comment:** The cannabis farm under construction next to my house, permitted to construct under general AG use but for the specific intent of cannabis cultivation for commercial use, under the state permits they have applied for, was allowed to be constructed without any environmental review. The premise given by the CDA is that they will be under full review once they apply for the ADP permit. Wildlife, farmland, and the neighbors have already been affected at that point!,

After the construction is hardly the time to address stormwater flows, biological resources, and the myriad of other pertinent design criteria for such projects. Any such projects should be better for site suitability FIRST, prior to ANY construction for the purpose of cannabis cultivation. The current policy provides a HUGE loop hole to avoid this review until after construction is done, at which point, the impacts have already been made.

U-6

U-7

Cultivation of cannabis is prohibited on any Parcel or Premises located within the following areas:

- In any location where the cannabis would be visible from the public right-of-way or publicly traveled private roads at any stage of growth

**Comment:** The two 4,000 square foot, 150 foot long greenhouses under construction next to my house are unavoidable to see from both Perimeter and Metcalf Rd, it's obvious what they are for, cannabis. It doesn't matter whether the plants are in direct view or not, in fact, they would be far less imposing and have a dramatically lower impact on the land not being housed in permanent structures.

The argument that they are out of view in a greenhouse is simply not valid, as you can see this from space practically. I would rather look at a field full of watered plants providing a fire break, than a monstrous glaring building that thieves can search for in Aerial photos. Nobody is fooling anyone here, the prohibition of sun grown plants is not a fair way to administer farm policy, and is predatorial to make money for construction permitting, and is biased towards residents with a lot of money or corporations, not small farmers.

So, the neighbors next to me can grow in their NUISANCE greenhouses, but I wouldn't be able to grow plants under the sun in my field, because the road is elevated past my house and even a 10 foot tall fence wouldn't hide them?? That is unfair, and has robbed me of any such opportunity, but yet we have to deal with the NUISANCE impacts of these structures right next to our house including constantly droning noise generating equipment.

U-8

## Table 2.2

Table 2-2: Cannabis Cultivation for Commercial Use, below, provides a breakdown of the of the allowable square feet of plant canopy based on zoning, parcel acreage, and cultivation method

**Comment:** With respect to parcel size, and canopy allocation. It is a gross misrepresentation to allocate the same canopy cover allowed to a parcel for cultivation solely based on its size, and totally irrespective of site constraints, like availability of water. There is no science or engineering behind it, and its the basis for the entire NCCO, and is an embarrassment in our area that is so varied from one neighborhood to the next. There are many large parcels in the County with virtually no water, and with this design basis, puts other residents scarce water supply at risk which is mind bending from an engineering perspective and archaic.

U-9

**Comment:** If the allocation of canopy size is based on parcel size, which has no science behind it, just arbitrary amounts, at a minimum there should be a requirement for an updated boundary survey on the property. Many properties in the County including the 3 parcels adjacent to ours,

U-10

and our own, have never had the corner points of them surveyed and established since the parcel was formed in 1971.

In the case of the parcel next door, it is listed as 10.0, and 10.23 acres. Well which is it? For all we know, it could be 9.99 ac, since almost 1000 feet along the northern boundary is the centerline of Dry Creek, which is dynamic and has surely changed over almost 50 years.

No one should even been allowed to apply for the upper limit of canopy cover, or construction of facilities for any cultivation, without a confirmed GPS survey. That especially needs to be confirmed if the parcel is in the cusp of a canopy allocation, or located on a dynamic boundary like a waterway, which changes over time.

The parcel next door is developing for the max. Canopy as if it were a 20 acre parcel, with 8,000 sf of greenhouses alone, in addition to 1,440 sf processing building. An official current boundary survey should be item number one required for any of these projects! Unacceptable.

U-10  
cont'd

## 2.5 SUMMARY OF PROJECT ALTERNATIVES

### NO GROUNDWATER CULTIVATION ALTERNATIVE

This alternative removes the eligibility of cultivators from using personal wells to draw groundwater for irrigation of commercial cannabis operations. All water would be provided by either Nevada Irrigation District (NID) or other provider. In areas where ground water is the only water source, cultivation activities would be required to cease or an alternative source such as a water diversion or rainwater catchment could be used. Although this alternative would not directly restrict cultivation or change the zones in which cultivation would be permitted, it is expected to decrease the overall area that would be cultivated. Cultivation would still be permitted in the same areas as the proposed project but the increased cost from purchasing water, or from developing alternative sources (diversion from a stream or spring, installing a rainwater catchment system, or purchase water to be trucked in.

#### Comment:

This is an AMAZING alternative, and should be considered baseline to ANY other alternative considered. The cost of drinking water is more expensive, and the loss of drinking water resources is permanent and irreversible. The price point for a large scale commercial cannabis farm such as the one being built next to my house is upwards of an \$1M investment. They can afford to out in water catchment, storage tanks, or buy water, yet we have NO requirement as

U-11

such. Furthermore, as neighbors we have absolutely no protection under the NCCO to protect our shared resource. We are stakeholders here too, and our needs have been circumvented by the lack of planning or regulation on groundwater resources.

U-11

Comment: It is a gross misrepresentation to allocate the same permitted canopy cover to a parcel for cannabis cultivation solely based on its size, and totally irrespective of site constraints, like availability of water. There is no science or engineering behind it, and it's the basis for the entire NCCO, and should be considered an embarrassment. In our area that is so varied from one neighborhood to the next, that sloppy type of design criteria establishment wouldn't fly with any water resources engineer. There are many large parcels in the County with virtually no water, and with this design basis, puts other residents' scarce water supply at risk which is mind bending from an engineering perspective and archaic.

U-12

Comment: No water storage or rain catchment requirements under the proposed NCCO, not even a percentage of water use, or monitoring of flow total with a flow totalizer with data recorded monthly, leaves us totally in the dark from ever collecting valuable data on the actual water use for cannabis cultivation in different areas of the County. The lack of policy here will jeopardize aquifers at their most vulnerable time of the year.

Comment; Well drawdown from on demand pumping of wells, causes a cone of depression in the local aquifer, that will form preferential pathways, and cause irreversible damage to water resources. At a minimum, a percentage of max. Water required in driest cultivation month should be required to be stored on site, by a combination of means available including rain catchment. This should be a baseline requirement.!!!

U-13

## **NO PERMANENT STRUCTURES IN DESIGNATED FARMLAND ALTERNATIVE**

This alternative is proposed to avoid significant impacts on Prime Farmland, Unique Farmland, and Farmland of Statewide Importance (collectively identified as Designated Farmland). Under this alternative commercial cannabis would be permitted on designated farmland, but only without the development of any permanent structures that would result in the conversion of Designated Farmland to non-agricultural uses. This would include permanent structures such as buildings pads or permanent structures for use in support of commercial cannabis cultivation, permanent structures to be used as greenhouses or mixed light facilities, or other improvements such as paved roadways or other infrastructure improvements that would result on the conversion of designated farmland to a

non-agricultural use. As noted in Section 4.1, while commercial cannabis is not considered an agricultural product under the NCCO, the growing of cannabis would not preclude some other agricultural use from occurring either concurrently or in the future. The restrictions of this alternative would not apply to the development of a new single-family residence constructed consistent with the applicable regulations of the County's Land Use and Development Code. This alternative requires the NCCO to be amended to preclude the development of permanent structures on designated farmland which would provide County staff with an additional mechanism for managing agricultural resources beyond what is currently required in the County's Land Use and Development Code.

Comment: This alternative is absolutely vital to protecting our valuable farm land resources in the County and should be implemented into the NCCO immediately!! It is already too late for the parcel next to my house, which the CDA allowed to build two 4,000 square foot greenhouses and a 1,440 square foot processing building with a 20 foot access road around it all. We haven't been provided with any information or proof that is not Prime Farmland.

U-14

Comment Qualitatively, we have not seen many other places in the County as here with as high quality soil and grazing land as here. It has now been converted forever for what is a debatable AG use. No subsequent owner can ever use that farmland again for any other AG purpose. There is over 600 linear feet of concrete footings in the pasture now, located in a migratory route, and habitat zone for a significant amount of wildlife.

At a minimum, all map checks for protected waters, species, migratory routes, water and soil resources, and Prime Farmland review should be done prior to ANY permitting for construction of greenhouses, whether permits are sought under general AG use or directly for commercial cannabis.

U-15

Obviously, as in the case next door, it was easy to find the loop hole in the Counties' process and build under general AG use to circumvent any environmental review, then apply for an ADP permit after the impacts have been made, and are now considered part of the baseline. A truly disgusting work around that needs to be identified and corrected IMMEDIATELY.

U-16

Comment: Not only would this alternative provide for future uses of lands without permanent farmland conversion, but would also lend itself to progressive and non invasive design. Farmers

U-17

all over the world have mastered simple cultivation with non permanent structures, and this has been well documented.

U-17  
cont'd

Comment: The permanent structure basis for the current NCCO seems predatory in nature to eliminate the farm class from participating in the program and has elevated that to a investor outsider culture elite status, members only. The price for a permitted greenhouse according to current NCCO standards is about \$100k. It doesn't cost that much to build a strong greenhouse, that can be put away in winter as they should be.

Comment: The result of an already failing version of the NCCO, is evidenced by the mere fraction of the existing 3,500 farms participating in the new permitting process. If the plan was sound, more would be participating. Instead, we are only seeing outside investors moving in, as no one else can afford to play at the proposed level.

U-18

A non permanent structure program would be a great way to work interactively with farmers, and have the site be cleaned up and winterized with a checklist gone over in person by County Staff that all fertilizers, plastic, irrigation and other materials used, are out away properly for the winter, and the land protected for future use.

## 2.6 AREAS OF CONTROVERSY

Table 2-3: Summary of Impacts, Mitigation Measures, and Level of Significance after Mitigation

Impact 4.1-4: Create a New Source of Substantial Light or Glare Which Would Adversely Affect Day or Nighttime Views in the Area Potentially significant

MM AES-2: Lighting Control Plan. Amend the NCCO to require commercial cannabis cultivation applicants with exterior light fixtures (including mixed light applications) to submit a light control plan that would demonstrate how light used for cultivation purposes would be controlled. Light control measures may include but not be limited to means such as using blackout tarps to completely cover all greenhouses and hoop-houses or restricting the use of lighting between sunset and sunrise.

Comment: Mitigation Measure MM AES-2 is ABSOLUTELY VITAL!! It is completely common sense to block any light from escaping these cultivation sites, and should be considered a

U-19

baseline requirement. It is not only basic respect for your neighbor, but also can have dramatic affects on wild life near our riparian area, birds of prey that hunt at night here which are well documented. For all of our sanity, this is a minimum requirement.

U-19  
cont'd

**Impact 4.2-1: Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to Non-Agricultural Use**

**Potentially significant MM AG-1: Farmland Resources:** Amend the proposed NCCO, to require all commercial cannabis applications to show on project site plans any Prime Farmland, Unique Farmland, or Farmland of Statewide Importance based on the most recent available mapping provided by the California Department of Conservation (CDOC) Farmland Mapping & Monitoring Program (FMMP) that exist on the project site. If such lands exist, the applicant shall show on the site plan(s) that any proposed accessory structure and related improvements (e.g., driveways, staging areas, etc.) have been located on the property in which impacts to mapped farmlands are reduced to the maximum extent practicable. Implement Land Use and Development Code Section L-II 4.4.3 regarding Important Agricultural Lands

Comment: MM AG-1 needs to be implemented right away and prior to ANY construction! We have received mixed messages from the CDA which permitted the construction of greenhouses and processing building next door under AG use. As evidenced in the above statement, it is not an AG use with cannabis in the buildings.

U-20

Irrespective of what goes inside the buildings, they have been permitted and build without any of the Prime Farmland review of maps. Why? We haven't gotten a straight answer other than, once they apply For an ADP that will be reviewed. So, the conversion of the land was permitted prior to review . Please provide a logical explanation for this, because that has been elusive to date.

**Impact 4.4-1: Disturbance or Loss of Special Status Wildlife Species and Habitat**  
**Potentially significant**

**MM BIO-2 Biological Resources Pre-Screening:** The proposed NCCO shall be amended to require all applicants to submit biological pre-screening materials of all project sites for both CCP and ADP applications. The materials shall include adequate information to define site constraints and show potentially sensitive biological resource areas. Materials shall include, at a minimum, project location (site address and parcel numbers); site aerials, photographs of proposed areas of disturbance (includes canopy area, accessory structures, and any related

improvements [e.g., driveways, staging areas, etc.]), photographs of vegetative cover, a thorough project description.

**Comment:** MM BIO-2 needs to be implemented right away and prior to ANY construction! None of these items were required by the CDA which permitted the construction of greenhouses and processing building next door without any such pres screening. Please provide a robust explanation for Why Not? The rationale that they were allowed to develop under general AG use without any such review is not an acceptable answer. This property was purchased and developed by an out of state investment corporation for the SOLE purpose of cannabis cultivation and should have been treated as such from the beginning of planning phase , let alone, construction.

U-21

This site is the true definition of why a biological pre screening should exist! We watched the birds evacuating their nesting grounds including a blue heron which lives here during the pre grading for greenhouses was done on Oct. 1st and 2nd, 2018. Also, this area provides habitat to the yellow spotted frog, and yellow warbler. We are just outside the Section 303d protected stretch of Dry Creek.

**Impact 4.8-2: Substantially Deplete Groundwater Supplies or Interfere Substantially with Groundwater Recharge Such That There Would be a Net Deficit in Aquifer Volume or a Lowering of the Local Groundwater Table Level Potentially significant No feasible mitigation measures have been identified that could be implemented on a project by project basis**

**Comment:** I disagree. Flow totalizers could be required on to garden plumbing to monitor water use, and simple controls like passive pumping to storage tanks can relieve the damage of on demand pumping to aquifers. Also, water storage and rain catchment would make simple requirements, protecting aquifers at their most vulnerable time of the year.

U-22

Well drawdown from on demand pumping of wells, causes a cone of depression in the local aquifer, that will form preferential pathways, and cause irreversible damage to water resources.

**Impact 4.8-3: Substantially Alter the Existing Drainage Pattern of the Site or Area, Including through the Alteration of the Course of a Stream or River, or Substantially Increase the Rate or**

**Amount of Surface Runoff in a Manner Which Would Result in Substantial Erosion or Siltation On-site or Off-site**

**Less than significant No mitigation measures are required. Less than significant**

**Comment:** I disagree that the impact is not significant. The drainage impacts to our site from the commercial greenhouses increase in impervious surface are already significant. Thousands of gallons of runoff are being generated with no institutional controls in place to prevent sediment from transporting and impacting surface drainage to adjacent parcels and waterways.

Can you please provide a rationale for the lack of attention to this problem? Our septic field is located within 200 feet of these two 4,000 square foot greenhouses, and Dry Creek is 200 feet away from the structures. Preferential drainage pathways and situation has already been visible, and that is before the covers are even on the greenhouses.

The implementation of drainage controls should be done prior to ANY permitted construction for such structures, drainage sales, French drains, detention basins, and dissipators can all be implemented at low cost.

U-23

**Impact 4.8-4: Substantially Alter the Existing Drainage Pattern of the Site or Area, Including through the Alteration of the Course of a Stream or River, or Substantially Increase the Rate or Amount of Surface Runoff in a Manner Which Would Result in Substantial Flooding On-site or Off-site**  
**Less than significant No mitigation measures are required.**

**Comment:** I disagree that the impact is not significant. The drainage impacts to our site from the commercial greenhouses increase in impervious surface are already significant. Thousands of gallons of runoff are being generated with no institutional controls in place to prevent sediment from transporting and impacting surface drainage to adjacent parcels and waterways.

Can you please provide a rationale for the lack of attention to this problem? Our septic field is located within 200 feet of these two 4,000 square foot greenhouses, and Dry Creek is 200 feet away from the structures. Preferential drainage pathways and situation has already been visible, and that is before the covers are even on the greenhouses.

U-24

The implementation of drainage controls should be done prior to ANY permitted construction for such structures, drainage sales, French drains, detention basins, and dissipators can all be implemented at low cost.

U-24  
cont'd

**Impact 4.11-1: Exposure of Persons to, or Generate, Noise Levels in Excess of Standards Established in the Local General Plan or Noise Ordinance or Applicable Standards of Other Agencies Less than significant Implement Land Use and Development Code Section L-II 4.1.7 Noise**

**No mitigation measures are required. Less than significant**

Comment: I disagree that the impact is not significant, because I am already a victim of it. This has affected our well being, disrupted our way of life, and is totally unacceptable. Additionally, to only implement **Land Use and Development Code Section L-II 4.1.7 Noise**, is also insufficient. There is no circumstance in which commercial cannabis cultivation on AG property should be considered more important than residential quality of life. Our home is 40 years old, and stands next to a new commercial cannabis farm. The specs for the noise generating equipment weren't even required for permitting?! AT MINIMUM, initial noise readings should be taken prior to permitted construction for a baseline noise reading.

IF WE MUST ENDURE ALL OTHER ASPECTS OF COMMERCIAL CANNABIS FARMING, NOISE IS A RED LINE LIMIT AND IS TOTALLY UNACCEPTABLE. YOU CAN'T UNHEAR NOISE., THIS IS OUR NUMBER ONE CONCERN AND THE COUNTY SEEMS TO HAVE NO REGARD FOR OUR WELL BEING IN THIS AREA.

THE EQUIPMENT NEXT DOOR WAS STARTED LAST WEEK, AND YOU CAN HEAR IT FROM EVERY ROOM IN MY HOUSE,,!! This will affect my property value and I can't live with it. I AM DISGUSTED BY THE LACK OF SPECIAL ATTENTION TO THIS MATTER, AND COMPLAINTS DRIVEN POLICY THROUGH CODE ENFORCEMENT IS ALSO UNACCEPTABLE.

PLEASE PROVIDE A RATIONALE OF WHY RESIDENTS DON'T DESERVE SPECIAL CONSIDERATION FOR THIS TYPE OF IMPACT. .? There is no benefit from allowing commercial cannabis cultivation that dominates residential well being. We deserve to know peace on our

U-25

property and the sound should be kept baffled and noise should be managed as strictly as if it were a hog farm.

Noise baffling equipment and earthen berms should be implemented in areas with residences directly adjacent to it. Special noise provisions specific to the NCCO should be used vs, simply L11 4.1.7 Noise, land use table.

U-25  
cont'd

**Impact 4.11-2: Exposure of Persons to, or Generate, Excessive Ground Borne Vibration or Ground Borne Noise Levels Less than significant No mitigation measures are required. Less than significant**

Comment: I disagree that the impact is not significant, because I am already a victim of it. This has affected our well being, disrupted our way of life, and is totally unacceptable. Additionally, to only implement **Land Use and Development Code Section L-II 4.1.7 Noise**, is also insufficient. There is no circumstance in which commercial cannabis cultivation on AG property should be considered more important than residential quality of life. Our home is 40 years old, and stands next to a new commercial cannabis farm. The specs for the noise generating equipment weren't even required for permitting?! AT MINIMUM, initial noise readings should be taken prior to permitted construction for a baseline noise reading.

IF WE MUST ENDURE ALL OTHER ASPECTS OF COMMERCIAL CANNABIS FARMING, NOISE IS A RED LINE LIMIT AND IS TOTALLY UNACCEPTABLE. YOU CAN'T UNHEAR NOISE., THIS IS OUR NUMBER ONE CONCERN AND THE COUNTY SEEMS TO HAVE NO REGARD FOR OUR WELL BEING IN THIS AREA. THE EQUIPMENT NEXT DOOR WAS STARTED LAST WEEK, AND YOU CAN HEAR IT FROM EVERY ROOM IN MY HOUSE,,,!! This will affect my property value and I can't live with it. I AM DISGUSTED BY THE LACK OF SPECIAL ATTENTION TO THIS MATTER, AND COMPLAINTS DRIVEN POLICY THROUGH CODE ENFORCEMENT IS ALSO UNACCEPTABLE.

PLEASE PROVIDE A RATIONALE OF WHY RESIDENTS DON'T DESERVE SPECIAL CONSIDERATION FOR THIS TYPE OF IMPACT. .? There is no benefit from allowing commercial cannabis cultivation that dominates residential well being. We deserve to know peace on our property and the sound should be kept baffled and managed as strictly as if it were a hog farm.

Noise baffling equipment and earthen berms should be implemented in areas with residences directly adjacent to it. Special noise provisions specific to the NCCO should be used vs, simply L11 4.1.7 Noise, land use table.

U-26

**Impact 4.11-3: A Substantial Permanent Increase in Ambient Noise Levels in the Project Vicinity Above Levels Existing without the Project Less than significant Implement MM BIO-1**  
**No mitigation measures are required.Less than significant**

**Comment:** I disagree that the impact is not significant, because I am already a victim of it. This has affected our well being, disrupted our way of life, and is totally unacceptable. Additionally, to only implement **Land Use and Development Code Section L-II 4.1.7 Noise**, is also insufficient. There is no circumstance in which commercial cannabis cultivation on AG property should be considered more important than residential quality of life. Our home is 40 years old, and stands next to a new commercial cannabis farm. The specs for the noise generating equipment weren't even required for permitting?! AT MINIMUM, initial noise readings should be taken prior to permitted construction for a baseline noise reading.

IF WE MUST ENDURE ALL OTHER ASPECTS OF COMMERCIAL CANNABIS FARMING, NOISE IS A RED LINE LIMIT AND IS TOTALLY UNACCEPTABLE. YOU CAN'T UNHEAR NOISE., THIS IS OUR NUMBER ONE CONCERN AND THE COUNTY SEEMS TO HAVE NO REGARD FOR OUR WELL BEING IN THIS AREA. THE EQUIPMENT NEXT DOOR WAS STARTED LAST WEEK, AND YOU CAN HEAR IT FROM EVERY ROOM IN MY HOUSE,,!! This will affect my property value and I can't live with it. I AM DISGUSTED BY THE LACK OF SPECIAL ATTENTION TO THIS MATTER, AND COMPLAINTS DRIVEN POLICY THROUGH CODE ENFORCEMENT IS ALSO UNACCEPTABLE.

PLEASE PROVIDE A RATIONALE OF WHY RESIDENTS DON'T DESERVE SPECIAL CONSIDERATION FOR THIS TYPE OF IMPACT. .? There is no benefit from allowing commercial cannabis cultivation that dominates residential well being. We deserve to know peace on our property and the sound should be kept baffled and managed as strictly as if it were a hog farm.

Noise baffling equipment and earthen berms should be implemented in areas with residences directly adjacent to it. Special noise provisions specific to the NCCO should he used vs, simply L11 4.1.7 Noise, land use table.

**Impact 4.11-4: A Substantial Temporary or Periodic Increase in Ambient Noise Levels in the Project Vicinity Above Levels Existing without the Project**  
**Less than significant No mitigation measures are required.**

U-27

Comment: I disagree that the impact is not significant, because I am already a victim of it. This has affected our well being, disrupted our way of life, and is totally unacceptable. Additionally, to only implement **Land Use and Development Code Section L-II 4.1.7 Noise**, is also insufficient. There is no circumstance in which commercial cannabis cultivation on AG property should be considered more important than residential quality of life. Our home is 40 years old, and stands next to a new commercial cannabis farm. The specs for the noise generating equipment weren't even required for permitting?! AT MINIMUM, initial noise readings should be taken prior to permitted construction for a baseline noise reading.

IF WE MUST ENDURE ALL OTHER ASPECTS OF COMMERCIAL CANNABIS FARMING, NOISE IS A RED LINE LIMIT AND IS TOTALLY UNACCEPTABLE. YOU CAN'T UNHEAR NOISE., THIS IS OUR NUMBER ONE CONCERN AND THE COUNTY SEEMS TO HAVE NO REGARD FOR OUR WELL BEING IN THIS AREA. THE EQUIPMENT NEXT DOOR WAS STARTED LAST WEEK, AND YOU CAN HEAR IT FROM EVERY ROOM IN MY HOUSE,,,!! This will affect my property value and I can't live with it. I AM DISGUSTED BY THE LACK OF SPECIAL ATTENTION TO THIS MATTER, AND COMPLAINTS DRIVEN POLICY THROUGH CODE ENFORCEMENT IS ALSO UNACCEPTABLE.

PLEASE PROVIDE A RATIONALE OF WHY RESIDENTS DON'T DESERVE SPECIAL CONSIDERATION FOR THIS TYPE OF IMPACT. .? There is no benefit from allowing commercial cannabis cultivation that dominates residential well being. We deserve to know peace on our property and the sound should be kept baffled and managed as strictly as if it were a hog farm.

Noise baffling equipment and earthen berms should be implemented in areas with residences directly adjacent to it. Special noise provisions specific to the NCCO should be used vs, simply L11 4.1.7 Noise, land use table.

U-28

### 3.1.3 PHYSICAL DESCRIPTION CANNABIS CULTIVATION AND COMMERCE PROCESSES

#### INDOOR CULTIVATION (WAREHOUSES AND GREENHOUSES)

From a visual standpoint, these indoor cultivation areas are harder to perceive and can be made secure.

Comment: I disagree with that statement, as home invasions for cannabis happen all the time in other areas, often with predators searching aerial photos online to search for greenhouses. It would be much harder to decipher where cannabis plants are without such glaringly obvious structures.

U-29

The county should reconsider this statement and retract this belief.

**Indoor cultivation does require compliance with fire code regulations regarding disabled access, emergency exits, frequency and spacing of egresses, and sprinkler systems are required.**

Comment: I believe the fire codes and building codes should be re evaluated here to require fire suppression systems on the permanent structure greenhouses. In the large scale case next to my house, the greenhouse area totals 8,000 sq ft. with a 1,000 gallon propane storage tank, and associated controls, fans, and upwards of a couple hundred grow lights.

U-30

PLEASE PROVIDE A RATIONALE OF WHY A PROCESSING BUILDING LESS THAN 100 FEET AWAY FROM THE GREENHOUSES WOULD REQUIRE FIRE SUPPRESSION SYSTEMS, BUT NOT THE ACTUAL FIRE HAZARD ELEMENT OF THE SITE? RECITING EXISTING CODE IS NOT AN ACCEPTABLE ANSWER, AS THE NCCO policy should be reflective of what is correct, not just existing rules.

#### **ADMINISTRATIVE DEVELOPMENT PERMIT (ADP)**

The ADP permitting process would be for commercial and non-remuneration cultivation of cannabis with 2,500 sf to 10,000 sf of canopy size. This permitting process is considered administrative and would be processed by the Planning Department. The application for the ADP would be reviewed for completeness and adequacy by staff and to ensure all permit requirements are included to the application. ADP permits would be subject to Standard Development Conditions, and after review staff would have the option, if required, to include additional Conditions of Approval to the cultivation project. Upon completion of review, payment of all applicable fees, conclusion that the application is complete, agreement by the applicant to implement all Standard Development Conditions, and if necessary additional Conditions of Approval, the ADP may be issued.

Comment: The current CDA process allows for construction of future ADP projects to be construction under general AG use, and thereby circumvents any of the initial study site constraint review or analysis of the site prior to construction. An initial study or site pre qualification for ADP applicant and site suitability PRIOR to construction would create a more transparent process for the stakeholders, County, and affected adjacent parcels, and special conditions such as noise baffling equipment or extra security measures to protect neighbors with vulnerable access could be negotiated up front, so there are no surprises when permittees are done building and FEEL ENTITLED TO AN ADP PERMIT BECAUSE THE CDA PERMITTED THEIR STRUCTURES. This is a slippery slope, and the County should rethink its policy on this immediately, since impacts due to a lack of communication have already arisen.

U-31

**o A list of all individuals and/or entities with any financial interest in the Commercial Cannabis Activity, including names, addresses, titles, nature and extent of financial interest, and disclosure of all financial interest in any and all cannabis businesses in the County;**

Comment: An out of state investment group bought the property next door to us for the sole purpose of cannabis cultivation. We were told this was the smallest of many of their commercial activities. The site next to our house is huge, and is not in line with surrounding AG uses. We feel at risk and have no idea of the entity we are working with. We feel that we have a right to basic information as listed above, prior to cannabis permits being issued.

U-32

Additionally, we have had a garden manager put in charge of all communication between us and our corporate cannabis farmer neighbors, with a total wall put up to receiving any information on this project in a forthright manner. We have no idea of the background of this individual other than that he has told us he has had felonies and spent jail time for marijuana offenses. We have already been intimidated and threatened and have no idea of the qualifications or risks of having this person around our property.

**o A detailed site plan setting forth the intended location of the canopy area, detailed description of intended activities, setbacks, descriptions of existing and proposed structures, and any other aspects required to show compliance with this Article;**

Comment: This is just meaningless if the construction is allowed before ADP permit application submittal. No drainage controls required to be set in place before construction other than

U-33

temporary BMPs, and construction allowed after Oct.15, has led to serious compaction and drainage issues on the subject property and our shared driveway. If this review was done first, many impacts we are experiencing could have been avoided.

U-33  
cont'd

**Secondary Access Requirement Exemption:**

▪ Secondary access may be waived at the discretion of the permitting authority if applicant attests that there will be no special events held on the premises, that the general public will not have access to the premises that no more than ten (10) employees will be on site.

Comment; The secondary access requirement in no way should be waived in the case that an adjacent or neighboring parcel shares the only ingress/egress access to the property, as is the case with my and the neighboring large scale cannabis farm next to my house under construction. We are on the border of very high fire danger, and the construction of this project next to my house may jeopardize my home insurance, and definately increases our fire risk.

We in fact do plan on holding many special events at our property and we are considering having a farm stand agritourism type business here on our property someday. We need to be assured by the County that our land value for future use will not be compromised by this project, as it already appears to have been. What if I would like to have a small day care here someday, or care for the elderly? This is unacceptable.

U-34

Comment: We share the only ingress/egress with the cannabis farm next door. We want to have the security gate located at the top of our driveway so that we are protected from any potential outside security threats that this poses. We have no turn around here and predators would be right at our gate trying to get to the farm If we aren't protected, and they aren't required to be there full-time, how do we ensure our safety?

**MANAGEMENT PLANS**

These management plans would apply to both CCP and ADP permit applications.

Future commercial cannabis projects, depending on the nature of the environmental resources on-site and in the vicinity, may utilize a Management Plan to reduce or minimize impacts to those resources. A Management plan would require approval by the Planning Director or their designee. If the Management Plan is not exempt from CEQA, an Initial Study

would be required, and a public hearing would be held before the Zoning Administrator. Management Plans proposed in conjunction with a cannabis cultivation project would be considered by the hearing body reviewing the project. The management plan would include identification of the resources or constraints that could be affected by the project, a discussion supporting project design to include as necessary alternatives for avoidance or minimization, description of mitigation or compensation, conclusions and recommendations, a time frame for implementation included to the Conditions of Approval, success standards, a monitoring plan, remediation measures in the event the mitigation or compensation fails, and a performance bond. In addition, the scope and level of detail associated with each management plan shall depend upon the scale and type of project, size and quality of resource or level of constraint, and the degree to which a project would affects the resource or constraint. Management Plans for smaller projects with limit

Comment: This is so extremely vital to the success of the NCCO! I can't express how unhappy we are that the greenhouses the CDA permitted to be built next to our house on Dry Creek in a high fire danger area, on a heavily travelled migratory route not far from Spenceville Refuge, was permitted without any of this review first!

It is insufficient to allow this development to take place under general residential AG use, when its NOT, NOR WAS EVER INTENDED TO BE. ITS COMMERCIAL. After the degradation and permanent conversion of the land is not the time for an initial study! The site next door is the glaring example of what would require an initial study. Everyone's time and money are wasted if sites are permitted without any sort of pre qualification!

U-35

#### 4.1 AESTHETICS, LIGHT AND GLARE

The analysis considers the quality and character of existing scenic and visual resources and how the different levels of visibility of existing and new cannabis facilities as viewed from surrounding areas may be affected. This includes physical changes that may occur within the environment, such as the construction of new structures, changes to scenic vistas, removal of vegetation, and introduction of light and glare. A few of the key focus areas are the effects of the proposed project as viewed from adjacent sensitive viewers to cultivation sites, effects on public scenic vistas, impacts on scenic resources as viewed from scenic highways, and protection of the night sky. The potential impacts associated with the proposed project are evaluated on a qualitative basis through an analysis of the cannabis cultivation and the associated physical effect on the

visual environment. The evaluation of project impacts is based on professional judgment, analysis of Nevada County's General Plan policies pertaining to aesthetics, the Nevada County Development Code, and the significance criteria established by Appendix G of the CEQA Guidelines. If necessary, mitigation measures are recommended to reduce the significance of potential impacts.

Comment: The current CDA building policy has allowed greenhouse construction and glare to be and issue for neighbors, by not requiring a visual barrier or fencing first. This isn't required until ADP permit approval in the case of the farm next to my house, so we are enduring the visual impacts of 150 feet of greenhouse in the long view from every single room in our house. Along with construction workers urinating in plain sight every day from my yard, with no portable restroom on site for over 6 months for a crew of 4 to 12 people. Truly Disgusting. It doesn't seem the County has shown any regard at all for our visual resources.

U-36

## **VISUAL CHARACTER OF RESOURCES IN NEVADA COUNTY SCENIC RESOURCES**

Scenic resources include open spaces, hillsides, valleys, ridgelines, forested views and notable buildings. Much of the land that would be authorized for cultivation containing open grasslands and forested areas. Depending on the topography, these areas range from generally flat to areas with steep and rugged mountainous terrain. The Nevada County General Plan identify the aesthetic importance of natural and architectural features to residents and their quality of life. Therefore, some of the project areas may be considered visually important resources.

Comment: We consider our view shed visually important. We enjoy views of unobstructed riparian habitat for 40 acres along Dry Creek. The greenhouses being built next to my house without any fence required first is a total eyesore, and has already affected our property value. A 10 foot fence as proposed is hardly a win. Now it will look like we live in a prison yard, and the 20 foot greenhouses will tower above it. Taking our morning sun away from us, and visually impacting our quality of life here undeniably. We want to know when we will have a fence between us, and we have no information from the County on this, and no communication with the neighbors. Current policy has not protected us from this nuisance item.

U-37

## **DEGRADATION OF CHARACTER/QUALITY**

**IMPACT 4.3-3: SUBSTANTIALLY DEGRADE THE EXISTING VISUAL CHARACTER OR QUALITY OF**

## THE SITE AND ITS SURROUNDINGS.

### IMPACT ANALYSIS

The visual analysis of any project must consider the existing visual character and quality of the specific project area. Another factor to consider in the analysis would be the existing visual sensitivity in the vicinity of that project area, which is defined by the available public views of the project, the number of viewers, and the duration of those views. Therefore, a project located on a site that has both high visual quality and high visual sensitivity would have the most significant visual impact. In terms of the visual

Comment: This certainly was not done prior to the CDA issuing building permits for the cannabis farm next to my house. Please explain why the county policy doesn't ensure this before construction? The generic answer of 'they are allowed to build under general AG use, then apply for an ADP permit, and have that evaluated' is NOT AN ACCEPTABLE RATIONALE, AS THE POLICY MUST REFLECT HOW IT SHOULD BE, NOT HOW IT IS.

U-38

As part of the project, cultivation areas must be set-back from adjacent properties at least 100 feet and fencing such that it would block the cultivation area(s) from view are required. Incorporation of these project component would help minimize the visibility of construction activity in the viewsheds. In addition, construction activities would occur over a relatively brief period of time, and views of cultivation sites and appurtenant structures are expected to be limited as the commercial cannabis and non-remuneration projects would, occur in areas zoned AG, AE, FR on generally.....

Comment: Again, this certain is not the case in the instance of the cannabis farm being built next to my house. It has been under daily construction since last summer, from 7am till dark, usually 6 days a week with no visual barrier between us and the construction crew,, or the glare of the greenhouse cover. That combined with having to regularly witness the construction crew urinate in open view is totally disgusting. No restroom on site for a crew of 4 to 12 workers for almost the last year. We regularly see County building officials here to inspect, but none has ever noticed or cared about this issue. Please explain why a fence hasn't been put up first between us?

U-39

Comment; We can't consider selling or renting our house if we can't stay here, as it has been an open unobscured construction site for over a year with no communication to us of the proposed timeline or when we will have a fence. This has impacted our well being, and our property value. Also, its obvious its a cannabis farm, as there are no other greenhouses in this County of that size for anything else, so now we have neighbors and other randoms driving by slowly to look or case

the place. It looks like its our farm from the perspective of Perimeter road. highly impacting our lives here and highly violating. When will the fence be installed? Why wasn't that required prior to construction?

U-39  
cont'd

## OPERATION

As part of the NCCO project, all future cultivation projects would be required to prepare and implement a security plan. These plans are likely to include security lighting. New security lighting would increase exterior lighting within the vicinity of cultivation sites and within the county as a whole.

Comment Whose benefit is this for? So intruders can find their way in? The last thing we want is to watch motion sensor lights go on and off all night at the unmanned commercial cannabis farm being built next to our house. If the garden area is secured, then no additional lighting should be necessary at night. Especially if it affects the growing cycle of natural plants or outdoor cannabis on adjacent properties, along with species that hunt and forage at night. That belongs in a commercial zone not out here in AG territory. Please explain why these lights are required? Anyone who has lived in rural Nevada County knows how annoying useless night lighting is, especially motion detected. This will make us angry after listening to constantly running equipment from every room in our house all day.

U-40

### 4.2.1 ENVIRONMENTAL SETTING

#### FARMLAND DEFINITIONS

- Prime Farmland. Farmland that has the best combination of physical and chemical features able to sustain long-term agricultural production. This land has the soil quality, growing season, and moisture supply needed to produce sustained high yields. Land must have been used for irrigated agricultural production at some time during the four years prior to the mapping date.

Comment; We believe that our property along with the adjacent property at 15695 Metcalf Rd. where a large scale cannabis farm is being built, is on Prime Farmland. We haven't seen a better combination of the above listed factors on most of the property here in the County. Why wasn't this site evaluated for Prime Farmland mapping prior to authorization from the CDA for construction? The generic answer that they are allowed to build under general AG to work around this ADP requirement until construction is completed, is unacceptable.

U-41

## Division 4.3 Resource Standards

Section 3.0: Project Description discusses the Comprehensive Development Standards found in Article 4 Comprehensive Site Development Standards and defined in Division 4.3 Resource Standards. In part, the purpose of the development standards is to avoid the impact of development projects on sensitive environmental resources and natural site constraints. The following discusses those standards applicable to geology and soils and specific requirements related to the protection of the associated resource(s) is discussed in 4.2.4 Potential Impacts and Mitigation Measures, below. Section L-II 4.3.4 Agricultural Land, important. The purpose of this section is to minimize the conversion of important agricultural areas to non-agricultural uses, the adverse impact of potentially incompatible land uses upon important agricultural land and operations, and the impairment of agricultural productivity of important agricultural land. This section provides the definitions for the types of agricultural lands as follows:

1. Non-agricultural projects shall be approved only when they are not within or adjacent to Important Agricultural Lands unless a Management Plan is prepared consistent with #2 below.
2. If the above standard effectively precludes development of the project, or adversely affects another environmentally sensitive resource, a Management Plan that avoids or minimizes impacts to the important agricultural lands may be prepared consistent with the provisions of Section 4.3.3.C. of this Article, and the following standards:
  - a. The Management Plan shall be prepared by one of the following agricultural professionals: a Registered Professional Forester, a certified rangeland manager, or an USDA/NRCS-certified conservation planner.
  - b. If the entire project site is mapped within or adjacent to important agricultural lands, the Management Plan shall provide for the development of the project on that portion of t..

Comment: All of this is vital to the successful planning of any cannabis farm. The site next to my property is prime AG land that has been used for grazing for over 100 years, but multiple generations. The conversion of it wa allowed without any of this review done first! The CDA knew this site was specifically for the sole purpose of cannabis production but allowed it to be built under general AG use. The sheer scale of it makes it obvious it is COMMERCIAL, and all of this review or at lease a pre qualification round of approval should be done first or as part of initial study prior to any construction allowed.

U-42

#### 4.4.4 POTENTIAL IMPACTS AND MITIGATION MEASURES

##### IMPACT 4.4-1: DISTURBANCE TO OR LOSS OF SPECIAL STATUS WILDLIFE SPECIES AND HABITAT

###### SPECIAL STATUS BIRDS

Ten special status bird species are known to occur in the County, and include Cooper's hawk, northern goshawk, long-eared owl, black swift, willow flycatcher, bald eagle, yellow-breasted chat, California black rail, osprey, and yellow warbler. The County contains suitable nesting habitat and many known nesting occurrences for these species (Figure 4.4-6: Special Status Wildlife Species). Suitable nesting habitat for these species can be found in forests, riparian areas along rivers and streams, and grasslands. Large portions of this habitat area are in land areas (areas designated for a forestry and timber uses) where new commercial cannabis operations would be allowed under the proposed ordinance. Removal of vegetation, especially large trees and snags, riparian vegetation, as well as conversion of riparian, forest, and grassland habitats could disturb nesting birds if they are present, potentially resulting in nest abandonment, nest failure, or mortality of chicks or eggs. Additionally, human presence associated with construction of cultivation sites, roads, and cultivation activities could result in increased noise and visual disturbance to nesting birds. The potential loss of special status birds and their nests would be a potentially significant impact.

Comment; The CDA allowing construction to occur for cannabis farms prior to permit application under general AG development, as per current policy, totally circumvents the identification of any such biological resources. Grading for the permanent structure greenhouses, along with constant construction at the site next to my house for over 6 months during the migratory and winter seasons, has definitely disrupted nature's pattern here. Why doesn't the CDA reconsider their policy so that initial studies and biological pre screening of proposed cannabis sites take place prior to construction??

U-43

##### IMPACT 4.6-5: RESULT IN SUBSTANTIAL SOIL EROSION OR LOSS OF TOPSOIL.

If these areas are not properly stabilized during construction the soil loss and erosion by wind and storm water runoff could be substantial. Within existing and future cultivation sites, erosion would be an ongoing process that would continue primarily within high wind areas and following periods of intense rainfall. While cultivation would not be allowed in or adjacent to streams, drainages, washes, wetlands, or other naturally occurring areas such as ponds or

lakes conduct or contain volumes of water cultivation may be occurring in these areas now. These areas, as well as future cultivation that is not properly contained could result in erosion to these habitats and downstream waters.

**Comment; The CDA is currently permitting these structures for cannabis farms to be built under general AG use, and we are told this will be evaluated when they apply for their ADP permit. As I write, stormwater is collecting at the adjacent site near my gate. The covers aren't even on the two 4,000 square foot greenhouses yet, and there is already standing water from compaction of farmland soils around the buildings that is about 5 inches deep, 20 feet wide- and 100 feet long. This will affect our drainage, as prefferential pathways from thousands of gallons of rainwater come off of those greenhouses towards a low spot that was graded between our septic field and the project site.**

U-44

**Comment: Dry Creek is less than 200 feet away. Sediment transport of significant particle size and quantity has already transported down the compromised driveway we share from construction permitted all through the winter months with no permanent sediment or stormwater management in place. This should be done prior to ADP application and prior to construction. Please explain the oversight.**

**IMPACT 4.7-8: EXPOSE PEOPLE OR STRUCTURES TO A SIGNIFICANT RISK OF LOSS, INJURY OR DEATH INVOLVING WILDLAND FIRES, INCLUDING WHERE WILDLANDS ARE ADJACENT TO URBANIZED AREAS OR WHERE RESIDENCES ARE INTERMIXED WITH WILDLANDS.**

As stated above, the plan review processes as part of the CCP and ADP process, the County would ensure that existing structures comply with all applicable building and fire codes, and that plans for all new structures, fuel modification zones, water and water storage, and site access conforms to all standards. In addition, the initial and yearly ACP renewal would ensure that projects maintain compliance with all listed requirements as verified by the Fire Marshall or his/her designee and the Environmental Health Department. If yearly compliance is not verified, the permit could be denied. This wou

**Comment; We share the only access on/off the property with a cannabis farm under construction permitted by the CDA. We believe that fire suppression systems, although not currently required under the NCCO of greenhouses larger than 2,000square feet require fire suppression systems. Especially, at sites with multiple greenhouses, hundreds of lights,**

U-45

propane heating/cooling systems, behind a locked gate, at an unmanned facility. Please explain why this can't be included as a requirement as processing buildings would have? They are permanent structures.

U-45  
cont'd

Comment; We are faced with losing our home fire insurance due to the increased risk factors of having a cannabis farm with large greenhouses next to our house with only one way out of here. We not only want emergency fire storage provided to us in a common area, but we also want insurance through the Corporation to cover any losses we may incur from a fire. At a minimum we want them to be responsible for the increase in coverage cost if we dont get cancelled. We live on the boundary between High and VERy High fire danget. What will the County do to ensure our safety?

U-46

Comment; with regard to fire storage. The fire storage required for the cannabis farm should be located for common access to parties that share the only access route on or off of the property. In the event that the cannabis farm is unattended, if a fire breaks out, we will be the only ones here to notice it, and the fire storage will be locked inside of their facility less than 200 feet from our house! Please address this.

U-47

Groundwater use for individual wells is not currently regulated within the unincorporated areas of the County, and well users are not required to monitor and provide well logs. As previously stated, it is unknown how much groundwater is currently being used in the County through individual wells. Additionally, the groundwater within the western portion of the County is located with a fissured granite aquifer, which is given its physical make-up is difficult to measure and quantify the amount of groundwater available for pumping. Therefore, adoption and implementation of the proposed project could result in a substantial depletion of aquifers and/or ground water as a result of increased use of individual groundwater wells. This depletion could result in water shortages and reduction in water availability for existing users and typical residential non-cannabis cultivation related demands. Thus, the potential impacts on groundwater supply are considered significant.

Comment; The project next to my house will consume our shared groundwater, our only source of drinking water, with no regulation by the County. We have the technology to monitor water, they are called flow totalizers, and I am not sure why one isn't required on plumbing to cannabis gardens, along with set allocations of water. A pretty common sense

U-48

institutional control, I would say. Even better, would have been the NoGroundwater use alternative.

U-48  
cont'd

Therefore, commercial Cannabis operations in Nevada County under the proposed ordinance have the potential to deplete local groundwater supplies and affect adjacent wells as a result of water demands. Under the proposed ordinance, future commercial cannabis operation facilities would be required to obtain and disclose an irrigation water service verification.

Comment; Why are we compromising on this, when drinking water is such a valuable resource? There are water delivery services out past my house servicing properties with no water. We have a good well, and we want to keep it that way. Out of state corporate investors are not interested in protecting this resource, only on profits. Its up to us and the CDA to change this maiais attitude towards groundwater use and protection of the resource. All development of cannabis farms as of today should be required to obtain and disclose such documents as irrigation water service verification. That is the cost of doin business, whereas the rest of us are trying to survive at our homes.

U-49

Groundwater use for individual wells is not currently regulated within the unincorporated areas of the County, and well users are not required to monitor and provide well logs. As previously stated, it is unknown how much groundwater is currently being used in the County through individual wells. Additionally, the groundwater within the western portion of the County is located with a fissured granite aquifer, which is given its physical make-up is difficult to measure and quantify the amount of groundwater available for pumping. Therefore, adoption and implementation of the proposed project could result in a substantial depletion of aquifers and/or ground water as a result of increased use of individual groundwater wells. This depletion could result in water shortages and reduction in water availability for existing users and typical residential non-cannabis cultivation related demands. Thus, the potential impacts on groundwater supply are considered significant.

Comment: With respect to parcel size, and canopy allocation. It is a gross misrepresentation to allocate the same canopy cover allowed to a parcel for cultivation solely based on its size, and totally irrespective of site constraints, like availability of water. There is no science or engineering behind it, and its the basis for the entire NCCO, and is an embarrassment in our area that is so varied from one neighborhood to the next. There are many large parcels in the County with virtually no water, and with this design basis, puts other residents scarce water supply at risk which is mind bending from an engineering perspective and archaic.

U-50

**Comment; No water storage or rain catchment requirements, jeopardizing aquifers at their most vulnerable time of the year seems like archaic policy. Why aren't these methods required as part of the permitting process as Title 24 requirements are to efficient lighting? I care about my drinking water more. Well drawdown from on demand pumping of wells, causes a cone of depression in the local aquifer, that will form preferential pathways, and cause irreversible damage to water resources.**

U-50  
cont'd

#### 4.11 NOISE

**Table 4.11-3: County of Nevada Exterior Noise Limits**

**Notes:**

- Compliance with the above standards shall be determined by measuring the noise level based on the mean average of not less than three (3) 20-minute measurements for any given time period. Additional noise measurements may be necessary to ensure that the ambient noise level is adequately determined.

**Comment: We want initial noise readings taken at our property prior to the noise generating equipment of the permitted greenhouses being put into service. We feel like this should be a mandatory part of an initial study and should be done prior to permits from the CDA to construct. No noise specs were required for permit approval and construction. The noise generating equipment was already purchased and installed prior to any analysis of noise or attenuation to our residence. This is wrong. Please revisit this policy to avoid neighbor conflicts and unnecessary complaints that could be avoided with proper siting and planning.**

- Where two different zoning districts abut, the standard applicable to the lower or more restrictive district plus 5 dBA shall apply.

**Comment; This should also apply in AG zoned land, that has established permitted residences on adjacent parcels to cannabis farms. We deserve to have our quality of life be of primary importance, that reflects our property taxes, the same as residential zoned homes. It is totally unacceptable to expect us to accept hearing ground vibrating and hummin equipment running from less than 200 feet away to our house 24 hours a day.**

**Because of the unique nature of sound, the County reserves the right to provide for a more**

restrictive standard than shown in the Exterior Noise Limits table contained in this policy. The maximum adjustment shall be limited to be not less than the current ambient noise levels and shall not exceed the standards of this policy or as they may be further adjusted by General Plan Policy 9.1b. Imposition

of a noise level adjustment shall only be considered if one or more of the following conditions are found to exist:

a. Unique characteristics of the noise source:

- The noise contains a very high or low frequency, is of a pure tone (a steady, audible tone such as a whine, screech, or hum), or contains a wide divergence in frequency spectra between the noise source and ambient level. The noise is impulsive in nature (such as hammering, riveting, or explosions), or contains music or speech.

- The noise source is of a long duration.

b. Unique characteristics of the noise receptor when the ambient noise level is determined to be 5 dBA or more below the Policy

9.1 standard for those projects requiring a General Plan amendment, rezoning, and/or conditional use permit. In such

instances, the new standard shall not exceed 10 dBA above the ambient or General Plan Policy 9.1 standard, whichever is more restrictive.

•

- The standards of this policy shall be enforced through compliance inspections and/or complaints.

**Comment; We take great issue with the County leaving it to us residents to complain to code enforcement when we choose to be proactive. I have worked for months trying to get the noise spec information on the noise generating equipment that is being installed at the cannabis farm next to my house under CDA permit for gen. AG use. The noise specs were not required for building permit applications. Why not?**

U-53

#### 4.11.4 POTENTIAL IMPACTS AND MITIGATION MEASURES

IMPACT 4.11-1: EXPOSURE OF PERSONS TO, OR THE GENERATION OF, NOISE LEVELS IN EXCESS

OF STANDARDS ESTABLISHED IN THE LOCAL GENERAL PLAN, NOISE ORDINANCE, OR APPLICABLE STANDARDS OF OTHER AGENCIES.

#### MITIGATION MEASURES

No mitigation is required.

## LEVEL OF SIGNIFICANCE AFTER MITIGATION

Impacts are less than significant

Comment; We passionately disagree, and mitigation should be required. We will not tolerate any noise in excess of the limits, in fact we want the project site next to us treated with the same noise scrutiny and mitigation measures as if it were a hog farm. Noise baffling systems for such equipment or earthen berms should be mandatory in sensitive sound areas with residences close by.

U-54

### IMPACT 4.11-3: A SUBSTANTIAL PERMANENT INCREASE IN AMBIENT NOISE LEVELS IN THE PROJECT VICINITY ABOVE LEVELS EXISTING WITHOUT THE PROJECT.

Comment: We want initial noise readings taken by the County now! We want noise attenuation modelling done now, before that equipment was placed in service! This is already causing neighbor conflicts and it is unfair for the County to put residents in the position to complain. We want special zoning consideration for this project with respect to our 40 year standing home less than 200 feet away from the greenhouses . Our quality of life is more important that an unmanned out of state Corporate cannabis farm. No matter what the General Plan says, we deserve consideration above and beyond that use.

U-55

Comment; This equipment will run 24 hours a day 7 days a week at our very sound sensitive location. We are on an open meadow 40 acres large, and sound travels. Even one small fan is audible. This project has enormous equipment when turned on for an initial run I could feel and hear it from my bedroom and living room. If this process is going to be complaints driven, the County will need to be hiring additional Code Enforcement staff, because if I can't concentrate or sleep and find myself annoyed, I will be calling and complaining on the hour until the General Plan is amended for special consideration to my site. If I have to endure every other nuisance aspect of this project, this is not what will be tolerated. Nobody wants to hear that marijuana cultivation is more important than their quality of life. This project has a 1.2M price tag, they can afford an earthen berm or noise baffling equipment. The burden should be on them to make their presence comfortable for us, not on us to have to complain to the County. This is YOUR RESPONSIBILITY TO ENSURE THE COMFORT AND SAFETY OF YOUR RESIDENTS REGARDLESS OF THE ZONING OF OUR HOUSES. DO NOT FAIL US.!

U-56

## 6.2.2 ALTERNATIVES ANALYZED IN THIS EIR

## NO GROUNDWATER CULTIVATION ALTERNATIVE

**Comment:** The project next to my house will consume our shared groundwater, our only source of drinking water, with no regulation by the County. We have the technology to monitor water, they are called flow totalizers, and I am not sure why one isn't required on plumbing to cannabis gardens, along with set allocations of water. A pretty common sense institutional control, I would say. The NoGroundwater use alternative would protect us and allow for sustainable commercial cannabis cultivation. We **STRONGLY ENCOURAGE THE COUNTY AND BOARD TO ADOPT THIS ALTERNATIVE INTO THE EXISTING NCCO!**

U-57

**Comment;** No water storage or rain catchment requirements combined with unregulated use of groundwater is jeopardizing aquifers at their most vulnerable time of the year. Well drawdown from on demand pumping of wells, causes a cone of depression in the local aquifer, that will form preferential pathways, and cause irreversible damage to water resources.

U-58

## NO PERMANENT STRUCTURES IN DESIGNATED FARMLAND ALTERNATIVE

**Comment;** The No permanent structure alternative would have preserved the quality of land for future owners, and the environment vs. permanent non-reversible conversion of farmland as the CDA has gone with and already has been permitting construction for. The do-nothing alternative would have even been more environmentally sound than the NCCO the CDA has chosen to go with. We hope that the CDA and the Board will consider this alternative in the future although it is too late in the case of the property next to us.

**Comment;** The No Permanent Structures alternative would have allowed for an interactive way between farmers and regulators to ensure that a garden site is winterized and that material subject to environmental degradation are put away. It would have preserved the farmland from permanent conversion. This type of farming is well documented and has been **done for thousands of years**. This alternative is absolutely vital to protecting our valuable farm land resources in the County and should be implemented into the NCCO immediately!! It is already too late for the parcel next to my house, which the CDA allowed to build two 4,000 square foot greenhouses and a 1,440 square foot processing building with a 20 foot access road around it all. We haven't been provided with any information or proof that is not Prime Farmland.

U-59

Comment; Qualitatively, we have not seen many other places in the County as here with as high quality soil and grazing land as here. It has now been converted forever for what is a debatable AG use. No subsequent owner can ever use that farmland again for any other AG purpose. There is over 600 linear feet of concrete footings in the pasture now, located in a migratory route, and habitat zone for a significant amount of wildlife.

U-60

At a minimum, all map checks for protected waters, species, migratory routes, water and soil resources, and Prime Farmland review should be done prior to ANY permitting for construction of greenhouses, whether permits are sought under general AG use or directly for commercial cannabis.

U-61

Obviously, as in the case next door, it was easy to find the loop hole in the Counties' process and build under general AG use to circumvent any environmental review, then apply for an ADP permit after the impacts have been made, and are now considered part of the baseline. A truly disgusting work around that needs to be identified and corrected IMMEDIATELY.

U-62

Comment: Not only would this alternative provide for future uses of lands without permanent farmland conversion, but would also lend itself to progressive and non invasive design. Farmers all over the world have mastered simple cultivation with non permanent structures, and this has been well documented.

U-63

Comment: The permanent structure basis for the current NCCO seems predatory in nature to eliminate the farm class from participating in the program and has elevated that to a investor outsider culture elite status, members only. The price for a permitted greenhouse according to current NCCO standards is about \$100k. It doesn't cost that much to build a strong greenhouse, that can be put away in winter as they should be.

U-64

Comment: The result of an already failing version of the NCCO, is evidenced by the mere fraction of the existing 3,500 farms participating in the new permitting process. If the plan was sound, more would be participating. Instead, we are only seeing outside investors moving in, as no one else can afford to play at the proposed level.

Comment; A non permanent structure program would be a great way to work interactively with farmers, and have the site be cleaned up and winterized with a checklist gone over in person by

County Staff that all fertilizers, plastic, irrigation and other materials used, are out away properly for the winter, and the land protected for future use.

U-64  
cont'd

## Response to Comment Letter U - Shelby Sachs

**Response to Comment U-1:** The commenter asks where the compatibility standards in the proposed NCCO are located in the ordinance. The cultivation restrictions are listed in Section D of the ordinance. The rest of this comment is informational in nature and no further response is required because the comment does not raise any environmental issues.

**Response to Comment U-2:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-3:** The comment describes a process for reviewing projects prior to issuing a permit. The comment is noted. Section 3.0 of the EIR, and specifically pages 3-33 through 3-37, describe the requirements that future commercial cannabis applicants must complete as part of the application process for either a Cannabis Cultivation Permit or an Administrative Development Permit. Both processes require a site plan to be submitted and reviewed by County staff.

**Response to Comment U-4:** The comment states that studies should be done as part of the application process. The County concurs with this comment. Please see **Response to Comment U-3** above. Additionally, the EIR included mitigation measures (See Table 2-3 of the EIR) that amend the NCCO to include additional studies for the protection of resources on a site-specific basis (e.g., agricultural lands, biological resources, cultural resources, etc.). These studies and any management plans, if required, would be completed prior to the issuance of a permit. No changes to the EIR were made as a result of this comment.

**Response U-5:** The comment suggests that site-specific studies should take place before a permit is issued. The County concurs with this comment. Please see **Response to Comment U-5**. No changes to the EIR were made as a result of this comment.

**Response to Comment U-6:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-7:** The comment suggests that site-specific studies should take place before a permit is issued. The County concurs with this comment. Please see **Response to Comment to Comment U-4**. No changes to the EIR were made as a result of this comment.

**Response to Comment U-8:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR

for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-9:** The comment states that canopy size restrictions should be based on site resources, such as water, rather than parcel size. The parcel size restrictions are to minimize nuisance conflicts with cannabis cultivation on smaller lots. Future applicants do have to take existing resources onsite into consideration when designing the project site plan. Please see **Response to Comment U-4**. The County concurs that groundwater supply could be constrained as a result of the proposed NCCO. The EIR identified potential impacts as significant and unavoidable. Section D.6.j of the NCCO requires:

All Premises used for Cannabis Cultivation shall have a legal and permitted water source and shall not engage in unlawful or unpermitted drawing of surface water or permit illegal discharges of water. For purposes of engaging in Cannabis Cultivation pursuant to this Article, water delivery is prohibited.

Water can also be supplied from existing on-site sources such as diversions, wells, or rainwater catchment. No changes were made to the EIR as a result of this comment.

**Response to Comment U-10:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-11:** The comment supports the No Groundwater Alternative. The comment is noted. Potential impacts on groundwater were identified as significant and unavoidable in the EIR. The County does not regulate groundwater use for any land use type including residential uses. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-12:** The comment objects to regulating canopy size to parcel site rather than the environmental and physical constraints (such as groundwater supply) of the property. The comment is noted. Please see **Response to Comment U-9**. As noted in **Response to Comment U-11** above, the County does not regulate groundwater for any land use type. Regulating groundwater extraction for one land use type within the County or for the unincorporated area as a whole was beyond the scope of the EIR and no feasible mitigation measures that would apply to all groundwater users in the County were identified. Potential impacts on groundwater supply were determined to be significant and unavoidable. No changes to the EIR were made as a result of this comment.

**Response to Comment U-13:** The comment suggests that water required during the driest cultivation month be stored onsite. The EIR acknowledges that it is unknown how much groundwater is currently being used in the County through individual wells. Additionally, the groundwater within the western portion of the County is located with a fissured granite aquifer, which given its physical make-up is difficult to measure and quantify the amount of groundwater available for pumping. As a result, the EIR concluded

that potential impacts on groundwater supply were significant and unavoidable. The NCCO does not require water storage onsite, but it is not prohibited. The NCCO does prohibit water delivery to a commercial cannabis site. Property owners have existing rights to use groundwater on their property and the NCCO does not regulate any groundwater use. No changes to the EIR were made as a result of this comment.

**Response to Comment U-14:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-15:** The comment states that a review for potential environmental resources should occur prior to the issuance of a CCP or ADP permit. The County concurs with this comment. Please see **Responses to Comment U-3** and **U-4**. No changes were made to the EIR as a result of this comment.

**Response to Comment U-16:** The comment refers to an existing structure that could apply for a commercial cannabis permit. Any commercial cannabis operations within the unincorporated County must meet the requirements of the NCCO. As stated in Section D.1 of the NCCO nonconforming uses and structures are not permitted to cultivate cannabis. No changes were made to the EIR as a result of this comment.

**Response to Comment U-17:** The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-18:** The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-19:** The comment states that Mitigation Measure AES-2 should be a requirement of the NCCO. Mitigation Measure AES-2 would amend the NCCO to include the requirement that commercial cannabis applicants demonstrate that exterior lighting would be controlled such that the light did not trespass over property lines or contribute to a significant nighttime glow. No changes were made to the EIR as a result of this comment.

**Response to Comment U-20:** The comment states that Mitigation Measure AG-1 should be applied immediately and to any construction. Mitigation Measure AG-1 would apply to all future commercial cannabis applications under the NCCO, it would not apply to other non-cannabis development applications within the County. Mitigation Measure AG-1 would require all CCP and ADP applications to identify whether Important Farmlands are present on the proposed project site. If Important farmlands are present, the project applicant must demonstrate how potential impacts have been minimized the

maximum extent practicable. Other non-cannabis development in the County is subject to the existing laws and development regulations established by the County. No changes were made to the EIR as a result of this comment.

**Response to Comment U-21:** The comment states that Mitigation Measure BIO-2 should be applied immediately and to any development. Mitigation Measure BIO-2 would apply to all future commercial cannabis applications under the NCCO, it would not apply to other non-cannabis development applications within the County. Mitigation Measure BIO-2 would require all CCP and ADP applications to include biological resources pre-screening materials to be included with the application for the purpose of determining whether sensitive biological resources are present on the proposed project site. If sensitive biological resources are present, they must be avoided or additional analysis of the resources may be required. Other non-cannabis development in the County is subject to the existing laws and development regulations established by the County. No changes were made to the EIR as a result of this comment.

**Response to Comment U-22:** The comment states that groundwater use should be monitored for commercial cannabis cultivation. The comment is noted. Please see **Responses to Comment U-12 and U-13**.

**Response to Comment U-23:** The comment states that potential impacts from changes in drainage patterns resulting in substantial erosion and siltation onsite or offsite are significant. The County does not concur with this comment. Future commercial cannabis applications are required to demonstrate consistency with a number of existing regulations regarding surface water runoff. Page 4.8-33 of the EIR notes the following requirements for compliance with existing surface water regulations:

Future proposed projects under the proposed NCCO would be required to comply with laws and regulations controlling on-site pollutants ensure that the threat of pollution from improperly constructed sites would not result in water quality degradation. All cannabis cultivation activities would be evaluated for their compliance with the Cannabis General Order and placed into the Tier 1, Tier 2, or Tier 3 threat category. Depending on this categorization, the projects would be required to implement the prescribed control and minimization of erosion, sedimentation, and chemical transport. Through the project approval process, applications for existing and proposed cannabis cultivation projects under both a CCP and ADP would be reviewed by the Planning Director or designee for conformance to all applicable water quality standards.

Additionally, the future project would be required to comply with updated water quality regulations from the California Department of Food and Agriculture. Please see **Response to Comment C-18**. No changes were made to the EIR as a result of this comment.

**Response to Comment U-24:** This comment is the same comment as U-23. Please see **Response U-23**. No changes were made to the EIR as a result of this comment.

**Response to Comment U-25:** The comment states that noise should be a significant impact and that mitigation measures should be required in addition to the County's Land Development Code (Section L-II 4.1.7, Noise) to address generator noise. The comment states that noise measurements should be required prior to issuance of a permit. The County does not concur that potential noise impacts are

significant, and that additional mitigation is required. Section D.6.c of the NCCO states that all electrical utilities must be supplied by a commercial power source. Generators are to be used only for emergency purposes and must be located in containment sheds. As such, generator noise would be very limited.

Pursuant to the County's Land Development Code (Section L-II 4.1.7, Noise), the zones in which commercial cannabis is permitted have a maximum noise level of 55 dBA<sub>Leq</sub> during the daytime hours and 40 dBA<sub>Leq</sub> during the nighttime hours. All commercial cannabis operations (and any land use within the AE, AG, and FR zones) would be required to comply with the County noise standards. Furthermore, Section D.6.b of the NCCO states:

Cannabis Cultivation shall not adversely affect the health, safety, or general welfare of persons at the Cultivation site or at any nearby residence by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, light, or vibration, by the use or storage of hazardous materials, processes, products or wastes, or by any other way.

No changes were made to the EIR as a result of this comment.

**Response to Comment U-26:** This comment is the same as Comment U-25. Please see **Response to Comment U-25**.

**Response to Comment U-27:** This comment is the same as Comment U-25. Please see **Response to Comment U-25**.

**Response to Comment U-28:** This comment is the same as Comment U-25. Please see **Response to Comment U-25**.

**Response to Comment U-29:** The comment states that indoor cultivation areas lead to increased crime. This comment is unrelated to an environmental issue under as defined by CEQA. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-30:** The comment states that fire suppression systems should be required for greenhouse structures. Section D.7.a of the NCCO states:

“The Accessory Structure, regardless of size, shall be legally constructed in accordance with all applicable development permits and entitlements including, but not limited to, grading, building, structural, electrical, mechanical and plumbing permits approved by applicable federal, state and local authorities prior to the commencement of any Cultivation Activity.”

The NCCO building code requirements are intended, in part, to reduce fire hazards as a result of building construction that does not meet existing building codes. Fire suppression systems are determined based on the use of the structure as approved by the County Building official and the fire authority with jurisdiction in the project area. No changes were made to the EIR as a result of this comment.

**Response to Comment U-31:** The comment states that a review or pre-screening of site conditions should occur prior to the issuance of an ADP permit. The County concurs with the comment. Please see **Responses to Comment U-3** and **U-4**. Commercial cannabis applicants would still be required to obtain

permits from the California Department of Food and Agriculture and comply with any permit requirements of that State agency. No changes were made to the EIR as a result of this comment.

**Response to Comment U-32:** The comment states that neighbors should have access to information regarding the ownership and financial interests of commercial cannabis operations. Section G.1 of the NCCO lists all of the requirements that must be included in a Commercial Cannabis Permit application, including information of the individuals or entities with a financial interest in the project. Any existing operations would be required to provide this information to be consistent with the NCCO.

The remainder of the comment is unrelated to the proposed project or an environmental issue addressed in the EIR and no further response is required. No changes were made to the EIR as a result of this comment.

**Response to Comment U-33:** The comment states that site plan and project requirements are meaningless if the review does not occur before development. The County concurs with this comment. All commercial cannabis applications will be reviewed for consistency with the requirements of the NCCO, including State and local water quality requirements, as well as application requirements for other environmental issue areas prior to the issuance of any permits. This includes existing operations as well as applications for new sites. No changes were made to the EIR as a result of this comment.

**Response to Comment U-34:** The comment states that secondary access requirements should not be waived. The County does not concur with this comment. Secondary access may not be necessary in all cases if there are no habitable structures on the site and could result in additional environmental impacts if there are no secondary connections to surrounding roadways available. Secondary access would be evaluated by the County building official and fire authority having jurisdiction in the area for each commercial cannabis application.

**Response to Comment U-35:** The comment states that the implementation of management plans are vital to the success of the NCCO. The County concurs that implementation of management plans, when required, will help reduce or avoid environmental impacts. The NCCO application requirements will apply to all commercial cannabis applications. These studies would be completed prior to the issuance of a permit.

The remainder of the comment is unrelated to the proposed project or an environmental issue addressed in the EIR and no further response is required. No changes were made to the EIR as a result of this comment.

**Response to Comment U-36:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-37:** The comment asks when fencing will be required for existing cannabis operations. Section D.6.a of the NCCO requires:

All Cannabis Cultivation Premises shall be adequately secured to prevent unauthorized entry, including a secure locking mechanism that shall remain locked at all times when the Cultivator is not present within the Cultivation area.

Fencing requirements may vary depending of the type of operation. Indoor or mixed light operations may not require perimeter fencing if the cultivation area is locked in a secure area. This requirement would apply to existing and new cannabis operations under the NCCO. No changes were made to the EIR as a result of this comment.

**Response to Comment U-38:** The comment asks why visual impacts of existing cannabis operations were not addressed prior to construction. Requirement of the NCCO would not be in effect until after the ordinance is adopted by the Board of Supervisors. Any existing facilities on agricultural lands may have been developed under existing permitting requirements. The proposed NCCO regulations would apply to existing and new cannabis operations once adopted. No changes were made to the EIR as a result of this comment.

**Response to Comment U-39:** The comment asks why a fence has not been installed for an existing use. Currently there are no regulations for fencing as the NCCO has not been adopted and the County cannot enforce a regulation has not been adopted. The proposed NCCO regulations would apply to existing and new cannabis operations once adopted.

The remainder of the comment is unrelated to the proposed project or an environmental issue addressed in the EIR and no further response is required. No changes were made to the EIR as a result of this comment.

**Response to Comment U-40:** The comment asks why security lighting is required. Security lighting is required as a safety component for not only the operators of the cannabis cultivation sites but also for public safety and enforcement personnel that may be required to go to the site. The project includes Mitigation Measure AES-2 which would amend the NCCO to include the requirement that commercial cannabis applicants demonstrate that exterior lighting would be controlled such that the light did not trespass over property lines or contribute to a significant nighttime glow. As such potential impact from nighttime lighting are considered less than significant. No changes were made to the EIR as a result of this comment.

**Response to Comment U-41:** The comment asks why potential impacts for prime farmland were not evaluated for an existing use. Currently there are no regulations for to evaluate potential impacts for agricultural uses in an AG zone as the NCCO has not been adopted, and the County cannot enforce a regulation has not been adopted. The proposed NCCO regulations would apply to existing and new cannabis operations once adopted. No changes were made to the EIR as a result of this comment.

**Response to Comment U-42:** The comment states that that the requirements of the County's Land Use and Development Code (Section L-11 4.3.4, Agricultural Land) should be applied to existing development. Development that is allowed by right (meaning no discretionary development permits, such as Development Permits, Use Permits, or subdivisions are required) under the existing land use designations are not required to comply with Resource Standards in Section 4.3 of the Land Use and Development Code. The proposed NCCO would require these resources standards to apply to CCP and ADP permits for

commercial cannabis cultivation. The proposed NCCO regulations would apply to existing and new cannabis operations once adopted. No changes were made to the EIR as a result of this comment.

**Response to Comment U-43:** The comment asks why the California Department of Food and Agriculture does not require initial studies prior to the issuance of cannabis permits. The County does not have jurisdiction over the State permitting process. The NCCO is proposed to provide the County with an adopted ordinance that regulates commercial cannabis cultivation in the unincorporated areas of Nevada County. In part, the NCCO will require initial site evaluations of future commercial cannabis cultivation sites. Depending on the existing conditions of the sites, additional environmental analysis may be required. No changes were made to the EIR as a result of this comment.

**Response to Comment U-44:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. **Please see Response to Comment U-23.** No changes were made to the EIR as a result of this comment.

**Response to Comment U-45:** The comment asks why greenhouses do not have the same fire suppression requirements as other buildings. **Please see Response to Comment U-30.** No changes were made to the EIR as a result of this comment.

**Response to Comment U-46:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-47:** The comment states that water storage for fire should be included in a common area for properties that share a common access. The NCCO does not change existing fire protection requirements or amend the County's building code. **Please see Response to Comment U-30.** No changes were made to the EIR as a result of this comment.

**Response to Comment U-48:** The comment states that groundwater impacts would be significant on groundwater supply and that groundwater use for commercial cannabis cultivation should be monitored. Potential impacts on groundwater were identified as significant and unavoidable in the EIR. The County does not regulate groundwater use for any land use type including residential uses. Regulating groundwater extraction for one land use type within the County or for the unincorporated area as a whole was beyond the scope of the EIR and no feasible mitigation measures that would apply to all groundwater users in the County were identified. No changes to the EIR were made as a result of this comment.

**Response to Comment U-49:** The comment states the groundwater use for commercial cannabis cultivation should be monitored. Please see **Response to Comment U-48.** The NCCO prohibits water delivery to a commercial cannabis site. Property owners have existing rights to use groundwater on their property and the NCCO does not regulate any groundwater use. No changes to the EIR were made as a result of this comment.

**Response to Comment U-50:** This first part of this comment is the same as Comment U-9. Please see **Response to Comment U-9.** The comment states that water storage or catchment requirements should

be included in the NCCO. The NCCO does not require water storage onsite, but it is not prohibited. The NCCO prohibits water delivery to a commercial cannabis site. Property owners have existing rights to use groundwater on their property and the NCCO does not regulate any groundwater use. No changes to the EIR were made as a result of this comment.

**Response to Comment U-51:** The comment states that initial noise measurements should be taken prior to the issuance of a cannabis cultivation permit. **Please see Response to Comment U-25.**

**Response to Comment U-52:** The project states that cannabis cultivation site should have a lower noise threshold than other uses on AG zoned land. Please see **Response to Comment U-25.**

**Response to Comment U-53:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-54:** The comment states that noise mitigation should be required for cannabis cultivation. All commercial cannabis cultivation sites will be required to comply with the County's existing noise regulations as specified in the County's Land Development Code (Section L-II 4.1.7, Noise). Any land use that exceeds the noise levels specified for the zoning designation will be required comply with the Land Use and Development Code. Noise violations are enforced through the County's Code Enforcement division. No changes were made to the EIR as a result of this comment.

**Response to Comment U-55:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-56:** The comment describes an existing condition regarding commenter's property and adjacent property. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-57:** The comment states that groundwater impacts would be significant on groundwater supply and that groundwater use for commercial cannabis cultivation should be monitored. Please see **Response to Comment U-48.** No changes were made to the EIR as a result of this comment.

**Response to Comment U-58:** This comment is the same as Comment U-50. Please see **Response U-50.** No changes were made to the EIR as a result of this comment.

**Response to Comment U-59:** The comment states that the No Permanent Structures in Designated Farmland Alternative would preserve more agricultural land from being converted to a non-agricultural

use. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-60:** This comment is the same as Comment U-14. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-61:** This comment is the same as Comment U-15. The comment states that a review for potential environmental resources should occur prior to the issuance of a CCP or ADP permit. The County concurs with this comment. Please see **Responses U-3** and **U-4**. No changes were made to the EIR as a result of this comment.

**Response to Comment U-62:** This comment is the same as Comment U-16. Please see **Response U-16**. No changes were made to the EIR as a result of this comment.

**Response to Comment U-63:** This comment is the same as Comment U-17. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment U-64:** This comment is the same as Comment U-18. The comment is noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

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**From:** Steve Schramm <reelsafari@yahoo.com>  
**Sent:** Friday, February 22, 2019 2:26 PM  
**To:** Planning <Planning@co.nevada.ca.us>  
**Subject:** Nevada County Commercial Cannabis Cultivation Ordinance DEIR Comments" SCH# 2018082023

Mr. Brian Foss  
Planning Department  
950 Maidu Ave, Suite 170  
Nevada City, CA 95959

Dear Mr. Foss,

Please see to it that all aspects of water quality including flow regime and allocation of all waterways and groundwater in Nevada County, including and particularly the Yuba River, are protected by regulating all aspects of legal and illegal Cannabis cultivation in Nevada County.

I'll leave the detailed comments on the DEIR to the lawyers and conservation groups as I am just an angler that spends dollars to fish the Yuba River and other waterways in Nevada County.

Thank you.

Steve Schramm  
198 Fair Street  
Petaluma, CA 94952

V-1

## Response to Comment Letter V - Steve Schramm

**Response to Comment V-1:** The comment requests that waterways and groundwater are protected from water quality impacts associated with commercial cannabis cultivation. The comment is noted. All commercial cannabis cultivation activities permitted under the NCCO would be required to obtain coverage under the General Waste Discharge Requirements and Waiver of Waste Discharge Requirements for Discharges of Waste Associated with Cannabis Cultivation Activities (Cannabis General Order), which implements the Cannabis Policy (WQ 2017-0023-DWQ). The commenter is referred to pages 4.8-15 through 19, which discuss the current water quality permitting requirements of the CVRWQCB, Lahontan RWQCB and SWRCB, as well as discussion of how the permitting requirements change on July 1, 2019. The County also notes, all future commercial cannabis cultivation projects will be screened by the County for permitting requirements. If this permit is required, it would be included to the future cultivation project prior to a permit being issued. This comment is noted and no changes to the DEIR are required.

**Stoneman, Brad**

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**From:** Sean Hula <gojicacao@gmail.com>  
**Sent:** Saturday, January 12, 2019 1:04 PM  
**To:** Brian Foss  
**Subject:** pesticides ban

Im sending my concerns to you because i believe you are the one to make change for the future.  
We need a Pesticide, fungicide FREE COUNTY  
we need to ban all pesticides for cannabis and FOOD use  
I know it sounds drastic, but we could really put Nevada county on the map  
We can export our pure food and herbs to other counties for a Premium if we ban all poisons.  
Due to the environment, we dont need any either! its the perfect growing region for cannabis and apples and a few  
other crops...LETS not screw it up by allowing BIG BUSINESS which always uses pesticides.  
We have a change to increase the economic value of the county without damaging its nature by making laws that  
HINDER big business and help Craft farmers  
...not only for money but for the health of our children please consider this  
thanks  
sean  
650-245-4835  
call me if you need help making laws, if marin can do it we can!

W-1  
W-2

## **Response to Comment Letter W - Sean Hula**

**Response to Comment W-1:** Comment noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Stoneman, Brad**

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**From:** Larry Haynes <lhgreystone@yahoo.com>  
**Sent:** Tuesday, January 29, 2019 7:32 AM  
**To:** Planning  
**Subject:** Fwd: No pot grows in residential areas !

Sent from my iPad. Attention Brian Foss

Begin forwarded message:

**From:** Larry Haynes <[lhgreystone@yahoo.com](mailto:lhgreystone@yahoo.com)>  
**Date:** January 29, 2019 at 7:26:47 AM PST  
**To:** [planning@co.nevada.ca.us](mailto:planning@co.nevada.ca.us)  
**Subject:** No pot grows in residential areas !

Remember, pot grows DO NOT belong in residential neighborhoods! This last summer, you let several grows to exist in Alta Sierra, near the school. We do not want the stink, or the activity that it brings. Keep our neighborhoods safe. Don't cram this down on us. Larry Haynes

X-1

## **Response to Comment Letter X - Larry Haynes**

**Response to Comment X-1:** Comment noted. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**NEVADA COUNTY PLANNING COMMISSION  
NEVADA COUNTY, CALIFORNIA**

**MINUTES** of the meeting of February 7, 2019, 1:30 PM, Board Chambers, Eric Rood Administration Center, 950 Maidu Avenue, Nevada City, California

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**MEMBERS PRESENT:** Commissioners Coleman-Hunt, Duncan, Aguilar, Johansen and Bullock.

**MEMBERS ABSENT:** None.

**STAFF PRESENT:** Planning Director, Brian Foss; Deputy County Counsel, Rhett Vanderploeg; Administrative Assistant, Tine Mathiasen.

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**PUBLIC HEARINGS:**

1. Commercial Cannabis Ordinance Draft EIR Public Comments  
EIR18-0001

Page 1, Line 41

**CALL MEETING TO ORDER:** The meeting was called to order at 1:32 p.m. The flag salute was followed by roll call.

**CHANGES TO AGENDA:** None.

**PUBLIC COMMENT:** Members of the public shall be allowed to address the Commission on items not appearing on the agenda which are of interest to the public and are within the subject matter jurisdiction of the Planning Commission, provided that no action shall be taken unless otherwise authorized by Subdivision (6) of Section 54954.2 of the Government Code. None.

**COMMISSION BUSINESS:** Selection of Commission Chair and Vice Chair. Motion by Commissioner Aguilar, seconded by Commissioner Johansen, to nominate Commissioner Duncan for Chair. Passed on voice vote. Motion by Chair Duncan, seconded by Commissioner Coleman-Hunt, to nominate Commissioner Aguilar for Vice Chair. Passed on voice vote.

**CONSENT ITEMS:** None.

**PUBLIC HEARING:**

**EIR18-0001:** Public hearing to accept comments on the adequacy of the Draft Environmental Impact Report (EIR18-0001) for the Nevada County Commercial Cannabis Cultivation Ordinance (NCCO) drafted to be consistent with state law and to enable a procedure for the cultivation of cannabis within all unincorporated areas within the County. The proposed NCCO has been drafted pursuant to the authority granted by Article XI, Section 7 of the California Constitution, Health and Safety Code section 11362.83, and Government Code Section 25845. The proposed NCCO would be adopted to replace the existing cannabis regulations in the Nevada County Land Use and Development Code (Development Code under Title 2, Chapter IV, Article 5 Cannabis Cultivation). The proposed NCCO details new County-specific regulations to address the licensing

of cannabis cultivation activities only in the unincorporated areas of the County. **Location:** The proposed project would apply to all parcels located in the unincorporated areas of Nevada County. Nevada County's total land area is 978 square miles, of which approximately 70% is privately owned and approximately 30% is public lands.

Director Foss introduced himself and EIR consultant Alex Jewell of Kimley-Horn. He provided a brief summary of the EIR and how the meeting would be conducted. The purpose of the EIR comment hearing is to inform the public and the Planning Commission about the proposed project and the EIR, and to receive public and agency comments as they relate to the adequacy of the environmental review. The comments today should be focused on the adequacy of the EIR only. All comments received during the 45-day comment period, including verbal comments made at the hearing, will be responded to as part of the final EIR. The consultant and staff will not be responding to comments made today and will only be answering questions about process and to provide clarification. Other comments will be reviewed by the consultant and included in the final EIR. Specifics of the ordinance are not the purview of today's hearing, though there will be future hearings at which the ordinance may be discussed. No final actions or decisions will be made by the Planning Commission today; just directions from Commission for staff and the consultant to address comments in the final EIR. The time clock is available to be used for public comment if the Chair so pleases. Director Foss then reviewed the project background, staff's directions from the Board, and the current status of the ordinance.

Commissioner Johansen informed Director Foss that the Commission's dais computers were not showing staff's presentation.

Chair Duncan requested that the meeting continue while a tech was called to address the computer issue.

Mr. Jewell reviewed the project description of the ordinance that was evaluated in the EIR. Intent, definitions, types of cultivation, zoning and general plan designations, allowable uses and cultivation requirements were discussed.

Counsel VanderPloeg requested a short recess to address technical difficulties. Chair Duncan called a brief recess at 1:45 p.m. The meeting was called back to order at 1:46 p.m.

Mr. Jewell discussed permitting types. In the EIR, 17 issue areas were evaluated. A worst case scenario approach was used to provide a broad range of analysis and to provide staff flexibility when permits were submitted for review. The impact analysis relied on existing county codes and ordinances to reduce or avoid impacts. In several cases, mitigation measures to reduce impacts would require amendments to the ordinance. Significant and unavoidable impacts were identified for several resources and cumulative impacts. Mr. Jewell reviewed the CEQA process, beginning in 2017. After the 45-day public review period, the consultant will respond to the comments and prepare the final EIR, which will be brought before the Planning Commission for recommendation to the Board. Opportunities to comment on the EIR include today's hearing, the remainder of the 45-day review period, and the upcoming Planning Commission and Board of Supervisors hearings.

Chair Duncan noted that the Commission's computer screens were again not working but that the meeting would carry on in spite of that. She opened public comment at 1:51 p.m.

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|-----|--------------------------------------------------------------------------------------------------------|------|
| 98  | Gary Baker raised concern with the EIR's calculation of number of parcels affected. He raised          | Y-1  |
| 99  | concern regarding an energy use table and the use of a one-month period versus a 12-month period.      | Y-2  |
| 100 | He discussed practicalities and implications in terms of new residences as well as the different       | Y-3  |
| 101 | impacts of cultivation versus production. Energy use is underestimated in the document, while          |      |
| 102 | water use is overestimated. The project is not realistically sized. Many growers are in limbo and      | Y-4  |
| 103 | the current timeline to get an ordinance adopted is unrealistic. An alternative would be to draft an   |      |
| 104 | emergency ordinance or to adopt this ordinance and adjust the impact fees to allow growers to          |      |
| 105 | obtain provisional licenses from the state. He wondered what might be an adequate size of the          |      |
| 106 | project.                                                                                               |      |
| 107 |                                                                                                        |      |
| 108 | Chair Duncan and the Clerk discussed the use of the countdown timer.                                   |      |
| 109 |                                                                                                        |      |
| 110 | Jan Howard owns a parcel close to land zoned AG. She noted that the most controversial issue           | Y-5  |
| 111 | regarding cannabis cultivation is odor. This is well documented and acknowledged in the EIR. It        |      |
| 112 | is disconcerting that odor is acknowledged as a big impact but there is no mitigation for it. Odor     |      |
| 113 | may result in devaluation, being trapped in one's house, and deterioration of quality of life. The     |      |
| 114 | worst case must be planned for. The EIR and ordinance are deficient in addressing the odor issue.      |      |
| 115 | She wonders whether the EIR says there is nothing more to do or that there is more work to be          |      |
| 116 | done. That would be unacceptable. There must be more time to get more information in order to          |      |
| 117 | address odor. There needs to be a clear path for citizens to have their concerns heard as well as      |      |
| 118 | objective ways of measuring odor. "Reasonable" is too vague a standard.                                |      |
| 119 |                                                                                                        |      |
| 120 | Steve Baker introduced himself as a hydrogeologist. He noted that groundwater is a significant         | Y-6  |
| 121 | issue in cannabis cultivation. An aquifer study was completed, resulting in a monitoring approach      |      |
| 122 | and a groundwater management strategy that is effective in the foothills as it takes into account      |      |
| 123 | the behavior of the population and the type of geology. Water quality and groundwater dewatering       |      |
| 124 | can be managed. Groundwater issues are mitigatable with proper monitoring and management.              |      |
| 125 |                                                                                                        |      |
| 126 | Michael Chustone commented on cannabis support areas (page 330-31). He asked that the                  | Y-7  |
| 127 | maximum canopy percentage range not be specified. It should be discretionary as 25 percent may         |      |
| 128 | not be sufficient. The 25 percent restriction will not encourage best practices.                       |      |
| 129 |                                                                                                        |      |
| 130 | Abraham Valensky discussed water, specifically section 4.8.2 Regulatory Setting. The Water             | Y-8  |
| 131 | Board and Fish and Wildlife already regulate activity, so it is not like things are not or will not be |      |
| 132 | regulated. The report implies that things are very loose. Existing seasonal restrictions on grading    | Y-9  |
| 133 | and heavy equipment were not mentioned in the report. 85 percent or more of the County's current       |      |
| 134 | growers are using groundwater. Rather than prohibition, measurements like well logs and meters         | Y-9  |
| 135 | could be used. There is no way to measure water under rock, so how this will effect groundwater        |      |
| 136 | is an assumption. In impact 4.8-3, the EIR seems to suggest people buy water from NID. He asked        | Y-9  |
| 137 | why it is okay to use NID groundwater but not private wells, whether NID knows how much                |      |
| 138 | groundwater they have, and why this information is not in the EIR.                                     |      |
| 139 |                                                                                                        |      |
| 140 | Mark Johnson asked how an EIR can be issued when important facts are unknown. He asked how             | Y-10 |
| 141 | indoor growing affects energy usage, how energy usage affects air quality, how utilities will accept   |      |
| 142 | energy overload, and what number of growers will grow indoors. There are only assumptions on           | Y-11 |
| 143 | these issues. He asked how an EIR can be issued on assumptions and how many of the CAG's               |      |
| 144 | recommendations were implemented in research for the EIR. If CAG recommendations are                   | Y-11 |
| 145 | implemented, many people will not have to grow indoors, therefore not putting strain on air quality,   |      |
| 146 | energy usage, utilities or infrastructure. He wonders why the CAG recommendations were not             |      |

considered or implemented when they would in fact make the County, taxpayers and landowners better off. He wants to know how an EIR can be commissioned on assumptions rather than facts.

Chair Duncan explained the public comment process. She closed public comment at 2:14 p.m. She asked that a few comments be responded to in order to provide clarification.

Director Foss began to explain why they were not going to respond to comments.

Chair Duncan said that Mr. Abraham's questions about the source of water could easily be responded to.

Director Foss asked if Chair Duncan was asking about the source of NID water.

Chair Duncan said right. She noted NID is a public utility.

Director Foss agreed.

Mr. Jewell said that NID gets water from different sources, groundwater being one of them. NID provides details and a forecast for coming years, which are publically available.

Chair Duncan said staff will respond to all comments as part of the final EIR, not right now. She welcomed people to submit written comments. She thinks the stated purpose for preparing the EIR is succinct. The Commission will take this under advisement. There will be no action by the Commission as the meeting today was merely to hold the public forum.

Director Foss asked Chair Duncan to give direction to staff and the consultant to respond to comments as part of the final EIR.

Chair Duncan asked for a motion.

**Motion by Commissioner Aguilar** to have staff and the consultant prepare comments and respond in preparation for the document. **Second by Commissioner Johansen. Motion carried on a voice vote 5/0.**

Discussion ensued regarding upcoming Commission meetings and trainings. Chair Duncan welcomed the new Commissioners.

Conversation returned to the EIR. In general terms, Commissioners discussed the EIR process and how challenging it is to separate conversation on the EIR from the ordinance. Director Foss and the Commissioners discussed the CEQA process, the Commissioners' means of providing comments, the role of an EIR, the relationship between accepting the EIR and approving the ordinance, public notification and outreach, and training on the EIR process. The Commission touched on the definition of "adequacy" and the issue of unmitigatable impacts. Additionally, Counsel VanderPloeg reminded the Commissioners that they are beholden to the Brown Act and that outside conversation must be limited.

**Motion by Commissioner Johansen to adjourn; second by Commissioner Hardy. Motion carried on voice vote 5/0.**

196 There being no further business to come before the Commission, the meeting was adjourned at  
197 2:35 p.m. to the next meeting scheduled for February 14, 2019, in the Town of Truckee's Council  
198 Chambers, 10183 Truckee Airport Road, Truckee, California.  
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201 Passed and accepted this 28<sup>th</sup> day of *February*, 2019.  
202

203 *Brian Foss (tm)*  
204 Brian Foss, Ex-Officio Secretary

## Response to Comment Letter Y - Planning Commission Hearing

**Response to Comment Y-1:** Comment noted. The comment raises questions the use of 27,207 parcels in the EIR as the number of parcels that would eligible to grow cannabis under the proposed ordinance. Please see **Response to Comment K-4**. This issue was also addressed in the commenter's comment letter on the Draft EIR in **Response to Comment O-223** and **Response to Comment O-229**. No changes were made to the EIR as a result of this comment.

**Response to Comment Y-2:** Comment noted. The comments states that the energy use is calculated on a one-month period instead of a twelve-month period. This comment was addressed in the commenters comment letter on the Draft EIR. Please see **Response O-341**. No changes were made to the EIR as a result of this comment.

**Response to Comment Y-3:** The comment notes that the Draft EIR underestimates energy use and overestimates water use, and that the project is not realistically sized. Please see **Response to Comment O-341** regarding energy use; **Response to Comment O-232** regarding water use, and **to Comment Response K-4** regarding the number of parcels included in the calculations. No changes were made to the EIR as a result of this comment.

**Response to Comment Y-4:** The comment states that an alternative to adopting the proposed ordinance would be for the County to adopt an emergency ordinance to allow provisional cannabis permits. The comment is noted. Alternatives to the proposed project are discussed in Chapter 6.0 of the Draft EIR. The alternatives include alternative scenarios in which limitations are placed on the number of parcels that could be used; such as no groundwater, no impacts on Important Farmland, and reducing the number of eligible parcels. No changes were made to the EIR as a result of this comment.

**Response to Comment Y-5:** The comment states that odors are a significant impact and the Draft EIR and proposed ordinance are deficient in addressing odor impacts. Impact 4.3-5 (page 4.3-24) in the Draft EIR evaluates potential impacts as a result of odors. The Draft EIR notes that the proposed NCCO includes setbacks from property lines of 100 feet (unless a variance is issued pursuant to the requirements of Sec. L-II 5.7 of the Nevada County Land Use and Development Code), but this may not be a sufficient distance to fully insulate off-site areas from potential odors. As such, if a cultivation facility is located in close enough proximity to off-site residents or other land uses, constituents from the cultivation site could intrude to these areas and result in objectionable odors to residents or users. The analysis concluded that a 1,000-foot setback would be required to minimize potential impacts to less than significant, however this was found to be infeasible because it would eliminate all but the largest lots from the being eligible for commercial cannabis cultivation. As such, potential impacts were determined to be significant and unavoidable. The commenter is referred to **Response to Comment M-4, O-4, O-11, and O-71** for additional information.

**Response to Comment Y-6:** The comment states that potential impacts to groundwater can be mitigated through groundwater monitoring. The EIR acknowledges that it is unknown how much groundwater is currently being used in the County through individual wells. The County does not regulate groundwater for any land use type. Regulating groundwater extraction for one land use type within the County or for the unincorporated area as a whole was beyond the scope of the EIR and no feasible mitigation measures

that would apply to all groundwater users in the County were identified. Potential impacts on groundwater supply were determined to be significant and unavoidable. No changes to the EIR were made as a result of this comment.

**Response to Comment Y-7:** The comment states that the proposed ordinance should allow more than 25% of the proposed canopy are for accessory structures. This comment is informational in nature and is not in conflict with the content of the EIR. The County will include the comment as part of the Final EIR for review and consideration by the decision-makers prior to a final decision on the project. No further response is required because the comment does not raise any environmental issues. No changes were made to the EIR as a result of this comment.

**Response to Comment Y-8:** The comment states that the EIR does not acknowledge the existing groundwater regulations in place from the Regional Water Quality Control Board (RWQCB) and the California Department of Fish and Wildlife (CDFW). Please see Responses C-18 and J-32. Revisions were made to the Final EIR (Section 4.8: *Hydrology and Water Quality*, page 4.8-26) that acknowledge permitting requirements from the California Department of Food and Agriculture (CDFA). An Annual License from the CDFA requires compliance with RWQCB and CDFW permitting requirements. If a proposed cannabis site is located within a watershed or other geographic area that is determined to be adversely impacted by cannabis, then those agencies will not issue new licenses while the moratorium is in effect.

With regard to groundwater monitoring, please see **Response to Comment Y-6**. No changes were made to the EIR as a result of this comment.

**Response to Comment Y-9:** The comment states that there is no way to measure the quantity of groundwater in the aquifer under the existing rock formation. The comment states that the EIR appears to support the use of NID water but not private wells. The County acknowledges that it is unknown how much groundwater is currently being used in the County through individual wells, and that it is currently unknown how much groundwater exists under the rock aquifer in the western portion of Nevada County. As such, the potential impacts on groundwater are considered significant and unavoidable. The EIR does not favor NID or any other water provider or water source. The EIR assesses water availability based on known water supply and the ability to regulate the water supply. Information regarding NID water supply was cited from the NID's Urban Water Management Plan which identifies all of NID's water sources, including groundwater, and provides a projection of anticipated water demand and water supply for approximately the next 20 years to the year 2040. No changes were made to the EIR as a result of this comment.

**Response to Comment Y-10:** The comment states that that the EIR is based on assumptions and can impacts on energy usage, air quality, and utilities be quantified. Please see **Response K-4**, **Response to Comment O-223**, and **Response to Comment O-229** regarding impacts the assumptions made regarding the number of parcels, air quality, energy use, and utilities. It is unknown how many growers will cultivate indoors. Table 4.17-3 in the Draft EIR (page 4.17-13) shows how the calculation was spread among indoor, mixed light, and outdoor cultivations. No changes were made to the EIR as a result of this comment.

**Response to Comment Y-11:** The comment asks how many of the CAG recommendations were implemented in the EIR. The comment asks how an EIR can be prepared based on assumptions rather

than facts. The CAG process was conducted by the County as part in preparing the draft ordinance. The CAG process was separate from the EIR process which evaluated the proposed ordinance. The commenter does not specify what assumptions in the EIR should not have been made or what information is missing from the EIR. No changes were made to the EIR as a result of this comment.

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### 3.0 DRAFT EIR WITH TEXT REVISIONS

Since the start of the environmental review process, and in order to be responsive to new information within the evolving cannabis industry both from a cultivation standpoint and legislative landscape, and to craft an ordinance that is responsive to both community requests and agency requirements certain changes to the NCCO have occurred. The current version of the NCCO is included as Attachment A to this Final EIR. The progressions that have occurred are intended to allow for an orderly, viable, and logical mechanism for commercial cannabis cultivation within the County.

In addition, based on information presented by members of the public, based on some comments on the DEIR, and based on information presented to County since its publication, revisions to the proposed NCCO and DEIR have been made to clarify and provide amended information.

The current version of the NCCO is included as EIR Appendix A. To ease the readability of the FEIR, this document does not provide an errata sheet with changes to the DEIR. Instead, the FEIR is provided in its entirety in a strike-out/underline version. Additionally, this is intended to make the document a more functional reference as the NCCO is implemented through future commercial cannabis permit applications. Additions to the DEIR are shown with underline and text removed from the DEIR is shown with ~~striketrough~~. Specific changes to the DEIR; therefore, are provided on a Chapter by Chapter basis. Again, this has been done to revise, clarify, and make clear the process for establishing the permitting process for existing as well as future cannabis cultivation operations.

The revisions, as shown in the following text, fall within the scope of the original project analysis included in the DEIR and do not result in an increase to any identified impacts or produce any new impacts. No new significant environmental impacts would result from the requested changes or incorporation of additional information. In some instances, changes in the form of new mitigation measures to increase environmental protections are proposed to be implemented.

The changes represent minor clarifications/amplifications of the analysis contained in the Draft EIR and do not constitute significant new information or change any of the conclusions in the Draft EIR that, in accordance with the State CEQA Guidelines, Section 15088.5, would trigger the need to recirculate portions or all of the Draft EIR.

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## **Attachment A:**

### **Nevada County Draft Cannabis Cultivation Ordinance**

**LAND USE AND DEVELOPMENT CODE  
CHAPTER II ARTICLE III SECTION 3.30  
CANNABIS CULTIVATION**

- A. Authority and Title**
- B. Findings and Purpose**
- C. Definitions**
- D. Nuisance Declared; Cultivation Restrictions**
- E. Personal Use Cannabis Cultivation**
- F. Commercial Cannabis Cultivation**
- G. Permitting of Commercial and Non-Remuneration Cannabis Activities**
- H. Change in Land Use**
- I. Denial or Revocation of an Annual Cannabis Permit**
- J. Enforcement; Notice to Abate Unlawful Cannabis Activities**
- K. Contents of Notice**
- L. Service of Notice to Abate**
- M. Administrative Review; Abatement Hearing**
- N. Liability for Costs; Administrative Civil Penalties**
- O. Abatement by Violator**
- P. Failure to Abate**
- Q. Accounting**
- R. Notice of Hearing on Accounting; Waiver by Payment**
- S. Appeal Hearing on Accounting**
- T. Special Assessments and Lien**
- U. Summary Abatement**
- V. No Duty to Enforce**
- W. Reporting of Violations**

## **A. Authority and Title**

Pursuant to the authority granted by Article XI, section 7 of the California Constitution, Health and Safety Code section 11362.83, and Government Code section 25845, the Board of Supervisors does enact this Article.

## **B. Findings and Purpose**

1. On October 9, 2015, the State of California enacted AB 266 (codified in the Business & Professions Code, the Government Code, the Health and Safety Code, the Labor Code, and the Revenue and Taxation Code) regulating commercial cultivation of cannabis and providing a standard definition of “cannabis” that includes marijuana and certain components of cannabis plants, SB 643 (codified in the Business & Professions Code) establishing standards for the issuance of prescriptions for medical cannabis as well as a comprehensive licensing scheme, and AB 243 (codified in the Business & Professions Code, the Fish and Game Code, the Health and Safety Code, and the Water Code) regulating medical cannabis cultivation. All three bills (together, the “Medical Cannabis Regulation and Safety Act” or MCRSA) became effective on January 1, 2016.
2. In January of 2016, the Board of Supervisors passed Ordinance No. 2405 amending this Article, including provisions which banned outdoor cultivation. Also in January of 2016, Resolution 16-038 was passed authorizing the placement of Measure W on the June 2016 ballot. Measure W put amendments made to Article V, sections G-IV 5.4(C) and (E) to the vote of the people. In February of 2016, the Board of Supervisors passed Resolution 16-082 memorializing the intent of the Board to repeal the ban on outdoor cultivation and to consider and adopt other outdoor regulations if Measure W failed to pass at the next available meeting after the results of the June 7, 2016 election were certified. On June 7, 2016, Measure W failed to pass, and those results were certified on July 19, 2016. Consistent with the intent stated in Resolution 16-082, a Board of Supervisors subcommittee met with local cannabis cultivation advocates on three occasions to attempt to craft regulations to put into place while repealing the outdoor cultivation ban. Consensus was not reached. Action is necessary to uphold the commitment to repeal the outdoor cultivation ban and to adopt other regulations.
3. On November 8, 2016, California voters passed Proposition 64, known as the Adult Use of Marijuana Act (AUMA). AUMA legalized the nonmedical use and personal cultivation of up to six living cannabis plants within, or upon the grounds of, a private residence, by persons 21 years of age and older. Proposition 64 provided that a county may not ban personal indoor cultivation of up to six plants within a person’s private residence or certain accessory structures, but may reasonably regulate such indoor grows. The County desires to comply with the limited allowance for indoor personal cultivation of nonmedical cannabis as set forth in Proposition 64, while maintaining reasonable regulations regarding such cultivation activities to address the potentially significant land use, building, public safety and other impacts associated with unregulated indoor grows and to protect the public health, safety and welfare, and preserve the peace and integrity of neighborhoods within the unincorporated areas.
4. In June 2017, the Legislature enacted SB 94 (codified in the Business & Professions Code) that integrated MCRSA with AUMA to create the “Medicinal and Adult-Use Cannabis Regulation and Safety Act” (MAUCRSA). Under MAUCRSA, a single regulatory system governs the medical and adult use cannabis industry in California. Under MAUCRSA, counties may regulate or ban cultivation of marijuana within their jurisdiction. The Legislature has therefore recognized the importance of retained local control over cannabis cultivation within the County’s jurisdiction.
5. The Federal Controlled Substances Act, 21 U.S.C. sections 801, et seq., classifies cannabis as a Schedule I Drug, which is defined as a drug or other substance that has a high potential for abuse, that has no currently accepted medical use in treatment in the United States, and that has not been accepted as safe for use under medical supervision. The Federal Controlled

Substances Act makes it unlawful, under federal law, for any person to cultivate, manufacture, distribute or dispense, or possess with intent to manufacture, distribute or dispense, cannabis. The Federal Controlled Substances Act contains no exemption for the cultivation, manufacture, distribution, dispensation, or possession of cannabis for medical purposes.

6. The County's unique geographic and climatic conditions, which include dense forested areas receiving substantial precipitation, along with the sparse population in many areas of the County, provide conditions that are favorable to cannabis cultivation. Cannabis growers can achieve a high per-plant yield with high economic value because of the County's favorable growing conditions.
7. MAUCRSA does not provide comprehensive local regulation of cannabis cultivation. The unregulated cultivation of cannabis in the unincorporated area of Nevada County can adversely affect the health, safety, and well-being of the County and its residents.
8. Since approximately 2011, Nevada County has experienced an increase in citizen complaints regarding the odor, threats to public safety and other nuisances that cultivation sites can and have created. In May of 2012, Nevada County enacted Article 5 of the General Code setting forth comprehensive civil regulations governing the cultivation of medical cannabis within the unincorporated areas of Nevada County to address the adverse effects to the health, safety, and well-being of the County and its residents could suffer as the result of unregulated cannabis cultivation. The regulations in Article 5 have proven to be inadequate to control the negative impacts of cannabis cultivation. Since the adoption of Article 5, there has been increased cannabis cultivation through the unincorporated areas of the County in violation of the provisions of that ordinance. In addition, the graduated areas for cultivation and setback requirements based on parcel size and the complex regulations required to define cultivation areas have proven cumbersome and problematic to administer and enforce.
9. According to the Nevada County Sheriff, unregulated cannabis cultivation is occurring in residential areas, in close proximity to residences, and on vacant, unsupervised and unsecured properties. Despite existing local regulations regarding cannabis cultivation, Nevada County has continued to experience significant numbers of citizen complaints regarding odor, threats to public safety, significant increases in criminal activity, degradation of the natural environment, malodorous and disagreeable smells, and other hazards and other nuisances arising from cannabis cultivation. The revised provisions contained in this Article are intended to address these nuisances and concerns, and simplify the regulations to be more readily understood by those affected and improve the enforcement process, and to more effectively control the adverse impacts associated with cannabis cultivation as stated herein, while accommodating the desires of qualified patients and their primary caregivers.
10. Nevada County and other public entities have reported other adverse impacts from cannabis cultivation, including but not limited to increased risks of criminal activity, acts of violence in connection with attempts to protect or steal cannabis grows, degradation of the natural environment, unsanitary conditions, violations of building codes, malodorous and disagreeable odors, and negative effects on physical, mental and community health. The creation of persistent strong odors as cannabis plants mature and flower is offensive to many people, results in complaints of respiratory problems, and creates an attractive nuisance, alerting persons to the location of valuable cannabis plants and creating an increased risk of crime. Cultivation sites have been the subject of serious criminal activity and associated violence including armed robberies, assault, battery, home invasion robberies, homicides and burglaries. An increasing number of sites are very visible to, and easily accessible by, the public, including children and youth. To protect the cannabis, some of these cultivation sites use aggressive and vicious dogs, booby-trap devices and persons with weapons that threaten severe bodily harm or death to those who attempt to access the site. Left unregulated, cultivation sites also result in loitering, increased traffic, noise, environmental health issues, unreasonable odors and other public nuisances that are harmful to the public health, safety and welfare of the surrounding community and its residents. Current regulations have not sufficiently curtailed this activity, requiring additional regulations to protect the health and safety of the community and its residents.

11. The indoor cultivation of substantial amounts of cannabis within a residence presents potential health and safety risks to those living in the residence, especially to children, including, but not limited to, increased risk of fire from grow light systems and improper electrical wiring, exposure to fertilizers, pesticides, anti-fungus/mold agents, and exposure to potential property crimes targeting the residence.
12. Cultivation of any amount of cannabis at locations or premises within 1,000 feet of a school, church, park, child or day care center, or youth-oriented facility creates unique risks that the cannabis plants may be observed by juveniles, and therefore be especially vulnerable to theft or recreational consumption by juveniles. Further, the potential for criminal activities associated with cannabis cultivation in such locations poses heightened risks that juveniles will be involved or endangered. Therefore, cultivation of any amount of cannabis in such locations or premises is especially hazardous to public safety and welfare, and to the protection of children and the person(s) cultivating the cannabis.
13. As recognized by the Attorney General's August 2008 Guidelines for the Security and Non-Diversion of Cannabis Grown for Medical Use, the cultivation or other concentration of cannabis in any location or premises without adequate security increases the risk that surrounding homes or businesses may be negatively impacted by nuisance activity such as loitering or crime. In addition, the indoor cultivation of cannabis without compliance with basic building code requirements creates increased risks of electrical fire, mold, mildew, plumbing issues and other damage to persons and property.
14. Comprehensive regulation of premises used for cannabis cultivation is proper and necessary to address the risks and adverse impacts as stated herein, that are especially significant if the amount of cannabis cultivated on a single premises is not regulated and substantial amounts of cannabis are thereby allowed to be concentrated in one place. In Nevada County, the typical outdoor growing season for Cannabis is approximately April through September of each year. Surrounding counties have adopted restrictions and, in some cases, bans on the cultivation of cannabis in their jurisdictions. Nevada County continues to encounter increasing numbers of Cannabis Cultivation sites of increasing sizes, in locations which conflict with the provisions of this Ordinance and operate in manners which create public nuisance to the surrounding community and its residents. There is an immediate need to provide certainty and guidance to those who might choose to cultivate cannabis in Nevada County and to preserve the public peace, health and safety of Nevada County residents by regulating and addressing the public nuisances associated with cannabis cultivation.
15. It is the purpose and intent of this Article to implement State law by regulating the cultivation of cannabis in a manner consistent with State law. It is also the intent of this Article to balance the needs of medical patients and their caregivers and to promote the health, safety, and general welfare of the residents and businesses within the unincorporated territory of the County of Nevada. This Article is intended to be consistent with State law. The intent and purpose of this Article is to establish reasonable regulations regarding the manner in which cannabis may be cultivated, including restrictions on the amount and location of cannabis that may be cultivated on any premises, in order to protect the public health, safety, and welfare in Nevada County, and to address the adverse impacts previous local regulations have failed to curtail.
16. The limited right of qualified patients and their primary caregivers under State law to cultivate cannabis plants for medical purposes does not confer the right to create or maintain a public nuisance. By adopting the regulations contained in this Article, the County will achieve a significant reduction in the aforementioned harms caused or threatened by the unregulated cultivation of cannabis in the unincorporated area of Nevada County.
17. Nothing in this Article shall be construed to allow any activity relating to the cultivation, distribution, processing, storage, transportation or consumption of cannabis that is otherwise illegal under State or Federal law. No provision of this Article shall be deemed to be a defense or immunity to any action brought against any person in Nevada County by the Nevada County District Attorney, the Attorney General of the State of California, or the United States of America.

18. On (DATE), the Nevada County Board of Supervisors reviewed and approved Resolution (XXXX) adopting the Nevada County Commercial Cannabis Cultivation Environmental Impact Report (EIR) providing detailed information about the environmental impacts related to cannabis cultivation activities as well as mitigation measures regarding cannabis cultivation activities in the County of Nevada.

### C. Definitions

As used herein the following definitions shall apply:

1. "Accessory Structure" means a separate and legally permitted building or structure located on the same Parcel as a Primary Place of Residence. The structure must be permitted pursuant to applicable building codes and, although it may be permitted for other uses, it must also be permitted specifically for Cannabis Cultivation. Notwithstanding the foregoing, an Accessory Structure may include an attached structure, but Cultivation may not take place in any space inhabited by humans, and must comply with all other local regulations pertaining to Accessory Structures to the extent they are applicable to an attached structure.
2. "Annual Cannabis Permit" (ACP) means a permit issued by Nevada County in final form allowing the permit holder to conduct Commercial Cannabis Activities as set forth in the permit.
3. "Cannabis" shall have the same meaning as that set forth in Health and Safety Code section 11018, as may be amended. Cannabis, Medical Cannabis, and the Cultivation thereof, as defined in this Article shall not be considered an agricultural activity, operation or facility under Civil Code section 3482.5 or an Agricultural Product as defined in Section L-II 3.3 of the Nevada County Land Use and Development Code, or an Agricultural Operation as defined in Sections L-II 3.3, L-II 6.1 and L-XIV 1.1 of the Nevada County Land Use and Development Code.
4. "Canopy" and "Canopy Area" mean the designated area(s) at a licensed and permitted Premises, except Nurseries, that will contain mature cannabis plants at any point in time, as follows:
  - Canopy shall be calculated in square feet and measured using clearly identifiable boundaries of all area(s) that will contain the entirety of mature plants at any point in time, including all of the space(s) within the boundaries.
  - Canopies must be clearly identified on site plans, and may be noncontiguous, but each unique area included in the total canopy calculation shall be separated by an identifiable boundary that includes, but is not limited to, interior walls, shelves, greenhouse walls, Accessory Structure walls, or fencing. This definition does not include ancillary spaces such as spaces used for drying, curing, or trimming.
  - Canopy boundaries shall encompass the entire plant. Cannabis plants which extend outside the boundaries are considered outside the "Canopy" boundaries and would be considered out of compliance with any permit received pursuant to this ordinance.
5. "Childcare Center" means any licensed childcare center, daycare center (including small family), childcare home, or any preschool.
6. "Church" means a structure or lease portion of a structure, which is used primarily for religious worship and related religious activities.
7. "Commercial Cannabis Activity" means all commercial cannabis-related activities contemplated by or for which a license may be required by the State of California as codified in its Business & Professions Code, Code of Regulations, Government Code, Health and Safety Code, Labor Code and Revenue and Taxation Code, as may be amended from time to time.
8. "Commercial Cannabis Cultivation" means Cultivation of Medical Cannabis only, excluding Cultivation of no more than six (6) plants for Personal Use consistent with state law, and Cultivation of Industrial Hemp.

9. "Cultivation" or "Cultivate" means the grading, planting, growing, harvesting, drying, curing, trimming, or storage, or any combination of these activities, of one or more Cannabis plants or Hemp plants or any part thereof in any location, Indoor or Outdoor, including from within a fully enclosed and secure building.
10. "Daycare Center" means resident or non-resident-based daycare services for over 14 children including resident children, under the age of ten (10) years old, if located within a residence, or as provided for in the Health and Safety Code section 1596.76 or as amended.
11. "Daycare, Small Family" means where resident child daycare services are provided in the home for 8 or fewer children, including the resident children, under the age of ten (10) years old, or as provided for in Health and Safety Code section 1596.78(c), or as amended.
12. "Designated Responsible Party(ies)" means the individual/entity legally and primarily responsible for all the Commercial Cannabis Activities on the Parcel and/or Premises related to Commercial Cannabis Activities. The Designated Responsible Party(ies) must be licensed by the State of California for the Commercial Cannabis Activities which he/she/they intend on conducting in Nevada County. If the licensee is not the property owner, the legal property owner of any Parcel and/or Premises upon which any Commercial Cannabis Activity will be conducted in Nevada County will also be considered a Designated Responsible Party.
13. "Enforcing Officer" means the Community Development Agency Director, Code Compliance Program Manager, Building Department Director, Environmental Health Director, Sheriff, Fire Authority, or their respective authorized designees, or any other official authorized to enforce local, state or federal laws.
14. "Fire Authority" means the CAL Fire unit chief, Fire Marshal, or the Fire Chief of any local fire protection district located in whole or in part within the County of Nevada, and all chief officers, Office of Emergency Services staff, contractors or designees, company officers and trained prevention staff as may be designated by a Fire Chief to enforce the provisions of this Article.
15. "Habitable Space" means space intended for or which is used for habitation by humans or which is occupied by humans.
16. "Hazardous Materials" means any hazardous material as defined in California Health and Safety Code section 25501, as may be amended.
17. "Hearing Body" means a body designated by the Board of Supervisors to conduct administrative hearings as provided in Section L-II 5.23 of this Chapter.
18. "Identification card" shall have the same definition as California Health and Safety Code Section 11362.7, as may be amended.
19. "Immature Plant" means a cannabis plant which is not flowering.
20. "Indoor" or "Indoors" means Cultivation using exclusively artificial light within a detached fully enclosed and secure Accessory Structure using artificial light at a rate above twenty-five watts per square foot and that complies with the California Building Code (Title 24, California Code of Regulations) for that specific occupancy type, as adopted by the County of Nevada, except for structures that are exempt from the requirement to obtain a building permit under the Nevada County Land Use and Development Code. For purposes of Personal Use only, "Indoor" or "Indoors" shall also include Cultivation inside a private Residence or attached garage, but not in areas inhabited by humans, including, but not limited to bedrooms and kitchens.
21. "Industrial Hemp" or "Hemp" means the hemp crop as defined in Health and Safety Code section 11018.5.
22. "Local Authorization," as required by California Code of Regulations, §8100(b)(6), California Code of Regulations, §8110, California Business and Professions Code §26050.1(a)(2), or as amended respectively and by any other regulation requiring local license, permit or other local authorization to engage in Commercial Cannabis Activity, means a permit issued in final form by the Permitting Authority specifically allowing the holder of said permit to engage in the

Commercial Cannabis Activity within the limitations set forth in said permit and allowing for the type of Commercial Cannabis Activity sought by the individual seeking the state license.

23. "Medical Cannabis" shall mean Cannabis recommended by a licensed physician, in accordance with California Health and Safety Code sections 11362.5 through 11362.83, commonly referred to as the Compassionate Use Act and the Medical Cannabis Program Act.
24. "Mixed Light" means the Cultivation of mature or immature Cannabis plants in an Accessory Structure permitted in compliance with local building codes and permitted specifically for Cannabis Cultivation using light deprivation and/or one of the artificial lighting models described below:
  - "Mixed Light Tier 1": the use of artificial light at a rate of six watts per square foot or less.
  - "Mixed Light Tier 2": the use of artificial light at a rate above six watts and below or equal to twenty watts per square foot." "Mixed Light" cultivation must take place in an Accessory Structure permitted in compliance with local building codes and permitted specifically for Cannabis Cultivation.
25. "Non-Remunerative Cultivation" means the Cultivation of Medical Cannabis only by a Primary Caregiver on behalf of a Qualified Patient for no monetary compensation except for actual expenses as allowed by Health and Safety Code section 11362.765(c). Non-remunerative Cultivation must comply with all Commercial Cannabis Cultivation regulations.
26. "Outdoor" or "Outdoors" means Cultivation of Cannabis in any location that is not "Indoors" nor "Mixed Light" and which is cultivated without the use of any artificial light at any time.
27. "Parcel" means any legal parcel of real property that may be separately sold in compliance with the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7 of the California Government Code).
28. "Parks" means private and public parks, playgrounds, play lots, athletic fields, tennis courts, public outdoor gathering area, recreational area, restrooms and similar facilities.
29. "Permitting Authority" means the Community Development Agency Director, Fire Authority, Building Director, Planning Director, Environmental Health Director, Code Compliance Program Manager, and/or Fire Authority and/or their designee(s).
30. "Personal Use" means cannabis cultivated for the personal use, not for any commercial purpose and not for sale, donation, gifting, or any other purpose other than the personal use of the individual who Cultivates. Personal Use does not include Cannabis which is Cultivated for non-remuneration.
31. "Premises" refers to the site where Cultivation occurs, and includes at least one legal Parcel but may include multiple Parcels if such Parcels are under common ownership or control and at least one Parcel contains a legally permitted and occupied Primary Place of Residence.
32. "Primary Caregiver" shall have the definition set forth in Health and Safety Code section 11362.7(d), as may be amended.
33. "Primary Place of Residence" shall mean the Residence at which an individual resides, uses or otherwise occupies on a full-time, regular basis.
34. "Qualified Patient" shall have the definition as set forth in Health and Safety Code sections 11362.7(c) and (f), as may be amended.
35. "Residence" shall mean a fully enclosed permanent structure used, designed or intended for human occupancy that has been legally established, permitted, and certified as single-family or multi-family dwelling in accordance with the County Land Use and Development Code. Recreational Vehicles (RVs), trailers, motorhomes, tents or other vehicles or structures which are used, designed, or intended as temporary housing shall not constitute a Residence for purposes of this Article, whether or not such vehicle or structure is otherwise permitted or allowed under the Nevada County Land Use and Development Code.

36. "School" means an institution of learning for minors, whether public or private, offering a regular course of instruction required by the California Education Code. This definition includes a nursery school, kindergarten, elementary school, middle or junior high school, senior high school, or any special institution of education, but it does not include a vocational or professional institution of higher education, including a community or junior college, college or university.
37. "Sensitive Site" means a School, Church, Park, Child or Day Care Center, or Youth-Oriented Facility.
38. "Sheriff" or "Sheriff's Office" means the Nevada County Sheriff's Office or the authorized representatives thereof.
39. "Support Area" means an area associated with immature plants, drying, curing, grading, trimming, rolling, storing, packaging, and labeling of non-manufactured cannabis products.
40. "Transport" means the movement of Cannabis by a person or entity holding a Distributor Transport Only (Self-Transport) license from the State of California to transport its own Cannabis off its own Cultivation site.
41. "Violator" means any person or entity who causes, permits, maintains, conducts or otherwise suffers or allows a violation of this Article and/or a nuisance to exist, including but not limited to the owner(s) of the Parcel or Premises, the occupant(s) if other than the owner(s), the holder(s) of any permit obtained pursuant to this Article, any Designated Responsible Party, and/or any person or entity who causes a public nuisance as described in Section D of this Article, including any person or entity who causes such nuisance on property owned by another.
42. "Youth-oriented Facility" means any facility that caters to or provides services primarily intended for minors, or the individuals who regularly patronize, congregate or assemble at the establishment are predominantly minors.

#### **D. Nuisance Declared; Cultivation Restrictions**

1. Cannabis Cultivation, either Indoors, Mixed Light or Outdoors, on any Parcel or Premises in an area or in a quantity greater than as provided herein, or in any other way not in conformance with or in violation of the provisions of this Article, any permit issued pursuant to this Article, and/or state law, is hereby declared to be a public nuisance that may be abated by any means available by law. The provisions of Section L-II 5.19 (Nonconforming Uses and Structures) of the Nevada County Land Use and Development Code shall not apply to Cannabis Cultivation hereby declared to be a public nuisance. No person owning, leasing, occupying, or having charge or possession of any Parcel or Premises within the County shall cause, allow, suffer, or permit such Parcel or Premises to be used for Cannabis Cultivation in violation of the California Health and Safety Code or this Article.
2. Cannabis Cultivation is prohibited on any Parcel or Premises within the unincorporated territory of Nevada County except on Parcels or Premises with a legally established Residence.
3. Cannabis Cultivation is hereby prohibited and declared a nuisance pursuant to this Article, except that Cannabis Cultivation may be undertaken in accordance with this Article as follows:
  - a. On Premises improved with a permanent, occupied, legally permitted Residence.
  - b. Only by an individual or entity who engages in Commercial Cannabis Cultivation for medical purposes or Cultivation of Industrial Hemp, and in accordance with state and local law.
  - c. By an individual for Personal Use in accordance with Subsection E below and in accordance with state and local law.
4. Indoor and Mixed-Light Cannabis Cultivation may occur only within a permitted Accessory Structure that meets the requirements of this Article and complies with all applicable provisions

of the County's Land Use and Development Code and which is permitted for purposes of the specified type of Cannabis Cultivation. Cultivation shall not take place in a kitchen, bathroom, bedrooms, common areas or any other space in the structure which is used as designed or intended for human occupancy. Structures that are exempt from the requirement to obtain a building permit under the Nevada County Land Use and Development Code may be used for Commercial Cannabis Cultivation if meeting all requirements of the Nevada County Land Use and Development Code for that specific structure. Notwithstanding the above, Cannabis Cultivation for Personal Use may occur inside a private residence, but not in bedrooms or kitchens.

5. Cultivation of Cannabis is prohibited on any Premises located within the following areas:
  - a. Upon any Premises located within 1,000 feet of any Sensitive Site. This setback is measured from the edges of the designated Canopy Area and from any Support Area to the property line of the Sensitive Site.
  - b. In any location where the Cannabis would be visible from the public right-of-way or publicly traveled private roads at any stage of growth.
  - c. Within any setback area required by this Article.
6. All Cannabis Cultivation areas shall comply with the following requirements:
  - a. All Cannabis Cultivation Premises shall be adequately secure to prevent unauthorized entry, including a secure locking mechanism that shall remain locked at all times when the Cultivator is not present within the Cultivation area.
  - b. Cannabis Cultivation shall not adversely affect the health, safety, or general welfare of persons at the Cultivation site or at any nearby residence by creating dust, glare, heat, noise, noxious gasses, odor, smoke, traffic, light, or vibration, by the use or storage of hazardous materials, processes, products or wastes, or by any other way. Cannabis Cultivation shall not subject residents of neighboring parcels who are of normal sensitivity to reasonably objectionable odors.
  - c. All electrical, mechanical, and plumbing used for Indoor or Mixed-Light Cultivation of Cannabis shall be installed with valid electrical, mechanical, and plumbing permits issued and inspected by the Nevada County Building Department, which building permits shall only be issued to the legal owner of the Premises or their authorized agent. The collective draw from all electrical appliances on the Premises shall not exceed the maximum rating of the approved electrical panel for the Parcel. Electrical utilities shall be supplied by a commercial power source. If generators are used for emergency purposes as approved by the Enforcing Officer all generators shall be located in containment sheds while in use to reduce generator noise to no greater than 50dB as measured at 100 feet from any sensitive habitat or known sensitive species. This would be an annual requirement and verified yearly when the ACP is renewed. If conformance is not shown, the permit shall be denied or the held in abeyance until the project infraction is brought into conformance with this Article.
  - d. Cultivation of Cannabis indoors shall contain effective ventilation, air filtration and odor-reducing or odor-eliminating filters to prevent odor, mold and mildew in any area used for Cultivation or which is used as, designed or intended for human occupancy, or on adjacent Premises.
  - e. All structure and site utilities (plumbing, electrical and mechanical) shall comply with the California Building Standards Codes as adopted by the County of Nevada.
  - f. All lights used for Cannabis Cultivation shall be shielded and downcast or otherwise positioned in a manner that will not shine light or allow light glare to exceed the boundaries of the Premises, and shall comply with the requirements of Section L-II 4.2.8.D. of this Chapter. Lights are not permitted to be detectable during the nighttime hours. If lights are

to be used during nighttime hours, black out or light barriers must be used to ensure no light is visible during nighttime hours.

- g. Noise levels generated by Cultivation shall not exceed the standards set forth in Table L-II 4.1.7 (Exterior Noise Limits) of this Chapter applicable to the Land Use Category and Zoning District for the Premises on which the Cultivation occurs.
- h. If the person(s) engaging in Cannabis Cultivation is/are not the legal owner(s) of the Parcel, the person(s) who is engaging in Cannabis Cultivation on such Parcel shall: (a) give written notice to the legal owner(s) of the Parcel prior to commencing Cannabis Cultivation on such Parcel, and (b) shall obtain a signed and notarized Nevada County issued authorization form from the legal owner(s) consenting to the specific Commercial Cannabis Activity for which a local permit and state license are being sought on the Parcel and provide said authorization to Nevada County prior to the commencement of any Cultivation activities and at least annually thereafter. A copy of the most current letter of consent shall be displayed in the same immediate area as designated in the permit and license, in such a manner as to allow law enforcement and other Enforcing Officers to easily see the authorization without having to enter any building of any type. Such authorization must also be presented immediately upon request by an Enforcing Officer.
- i. The use of Hazardous Materials shall be prohibited in Cannabis Cultivation except for limited quantities of Hazardous Materials that are below State of California threshold levels of 55 gallons of liquid, 500 pounds of solid, or 200 cubic feet of compressed gas. Any Hazardous Materials stored shall maintain a minimum setback distance from water sources in accordance with Nevada County Land Use and Development Code Chapter X. The production of any Hazardous Waste as part of the Cultivation process shall be prohibited.
- j. All Premises used for Cannabis Cultivation shall have a legal and permitted water source and shall not engage in unlawful or unpermitted drawing of surface water or permit illegal discharges of water. For purposes of engaging in Cannabis Cultivation pursuant to this Article, water delivery is prohibited.
- k. All Premises used for Cannabis Cultivation shall have a legal and permitted sewage disposal system and shall not engage in unlawful or unpermitted drawing of surface water or permit illegal discharges of water.
- 7. Accessory Structures used for the Cannabis Cultivation shall meet all of the following criteria:
  - a. The Accessory Structure, regardless of size, shall be legally constructed in accordance with all applicable development permits and entitlements including, but not limited to, grading, building, structural, electrical, mechanical and plumbing permits approved by applicable federal, state and local authorities prior to the commencement of any Cultivation Activity. The conversion of any existing accessory structure, or portion thereof, for Cultivation shall be subject to these same permit requirements and must be inspected for compliance by the applicable federal, state and local authorities prior to commencement of any Cultivation Activity. Any Accessory Structure must also be permitted for the specific purpose of Commercial Cannabis Cultivation. Agricultural structures constructed in compliance with the Nevada County Land Use and Development Code may be used for commercial cannabis cultivation that obtain a letter of exemption issued by the Nevada County Chief Building Official or their approved designee that meet all requirements to receive a letter of agricultural exemption.
  - b. The Accessory Structure shall not be built or placed within any setback as required by the Nevada County Land Use and Development Code or approved development permit or entitlement.
  - c. Accessory Structures shall not be served by temporary extension cords. All electrical shall be permitted and permanently installed.

- d. Accessory Structures used for Indoor Cultivation shall be equipped with a permanently installed and permitted odor control filtration and ventilation system adequate to prevent any odor, humidity, or mold problem within the structure, on the Premises, or on adjacent Parcels.
  - e. Any structure used for Indoor Cultivation shall have a complete roof enclosure supported by connecting walls extending from the ground to the roof, and a foundation, slab, or equivalent base to which the floor is securely attached. The structure must be secure against unauthorized entry, accessible only through one or more lockable doors, and constructed of solid materials that cannot easily be broken through, such as 2" x 4" or thicker studs overlain with 3/8" or thicker plywood, polycarbonate panels, or equivalent materials. Exterior walls must be constructed with non-transparent material. Plastic sheeting, regardless of gauge, or similar products do not satisfy these requirements.
- 8. Where the provisions of this Article are more restrictive than the Nevada County Land Use and Development Code, the provisions of this Article shall govern.
  - 9. Nothing herein shall limit the ability of the Enforcing Officer or any other state or local employees or agents from entering the property to conduct the inspections authorized by or necessary to ensure compliance with this Article, or the ability of the Sheriff to make initial inspections or independent compliance checks. The Enforcing Officer is authorized to determine the number and timing of inspections that may be required.
  - 10. All Canopy Areas and Support Areas must be adequately secured to prevent unauthorized entry and entry by children and include a locking gate that shall remain locked at all times when a Designated Responsible Party is not present within the Cultivation site. The Cultivation site shall also be developed so it is not visible from a public right of way.
  - 11. Notwithstanding the above, Cannabis Cultivation of up to 6 immature or mature plants for Personal Use may be Cultivated inside a private Residence or attached garage except that it may not be Cultivated in any space inhabited by humans, including but not limited to bedrooms and kitchens.

## **E. Personal Use Cannabis Cultivation**

All Cultivation of Cannabis for Personal Use must conform to the regulations and requirements set forth in Section D, above, in addition to the following regulations and requirements.

Personal Use Cannabis Cultivation is allowed as follows:

- 1. For Personal Use only, Cannabis Cultivation may occur only on a Parcel or Premises with an occupied legally permitted Primary Place of Residence and only in the following zones:
  - a. R-1, R-2, R-3 and R-A (Residential Designation) on Parcels of any size:
    - Indoors: Maximum of six (6) plants, mature or immature.
    - Mixed Light, or Outdoors: Cultivation is prohibited.
  - b. R-A (Rural and Estate Designation):
    - Parcels of 5.00 acres or more:
      - Indoors, Mixed-Light and Outdoors or a combination of methods: a maximum of six (6) plants, mature or immature.
  - c. AG, AE, FR, and TPZ:
    - Parcels of equal to or less than 1.99 acres:
      - Indoors: a maximum of six (6) plants, mature or immature.
      - Mixed-Light and Outdoors: Cultivation is prohibited.
    - Parcels of 2.00 acres or greater:

Indoors, Mixed-Light and Outdoors: a maximum of six (6) plants, mature or immature.

2. The following setbacks apply to all Cannabis Cultivation sites regardless of purpose or Cultivation method:
  - a. For all Premises: 100 linear feet measured from the edge of the Canopy Area to the adjacent property lines.
  - b. For all Premises: 100 linear feet measured from the edge of any Support Area to the adjacent property lines.
  - c. In a mobile home park as defined in Health and Safety Code section 18214.1, 100 feet from mobile home that is under separate ownership.

## **F. Commercial Cannabis Cultivation**

Except as explicitly allowed in this Section, Commercial Cannabis Activities are prohibited. All Commercial Cannabis Activities must conform to the regulations and requirements set forth in Subsection D, above, in addition to the following regulations and requirements:

Commercial Cannabis Cultivation is permitted as follows:

1. Commercial Cannabis Cultivation may occur only on Premises with an occupied legally permitted Primary Place of Residence, and only in zones as set forth as follows:
  - a. R-1, R-2, R-3 and R-A (Regardless of General Code Designation) and TPZ:  
Commercial Cannabis Cultivation is prohibited.
  - b. AG, AE, FR:  
Parcels of less than 2.00 acres:  
Commercial Cannabis Cultivation is prohibited.  
Parcels 2.00 acres up to 4.99 acres:  
Indoors: a maximum of 500 square feet of Canopy.  
Mixed-Light and Outdoors: Commercial Cannabis Cultivation is prohibited.  
Parcels 5.00 acres up to 9.99 acres:  
Indoors, Mixed-Light, Outdoors or a combination of said methods: a maximum of 2,500 square feet of Canopy.  
Parcels of 10.00 acres up to 19.99 acres:  
Indoors, Mixed-Light, Outdoors or a combination of said methods: a maximum of 5,000 square feet of Canopy.  
Parcels of 20 acres or greater:  
Indoors, Mixed-Light, Outdoors or a combination of said methods: a maximum of 10,000 square feet of Canopy.
2. The six (6) plants permitted to be Cultivated on any Premises for Personal Use in accordance with this Article and state law may be Cultivated in addition to the amounts allowed for Commercial Cannabis Cultivation by this Article.
3. Commercial Cannabis may be Cultivated on Premises with multiple Parcels only if there is direct access from one Parcel to the other. The total Canopy Area shall not exceed that allowed area based on the largest of the Parcel sizes. The total Canopy Area shall not exceed the area of the Parcel used for Cultivation. The total Canopy Area and any Support Area must comply with all setback requirements and may not straddle any Parcel boundary. This provision does not prohibit, for example, location of one Canopy Area on one Parcel and another Canopy Area

on an adjacent Parcel as long as setback, total square footage, and other requirements of this Article are met.

4. All those engaged in Commercial Cannabis Cultivation in Nevada County must possess and maintain the appropriate Commercial Cannabis license(s) from the State of California. State licenses must cover and allow for the Commercial Cannabis Cultivation activities being conducted in Nevada County.
5. The holder of an Annual Cannabis Permit for Commercial Cannabis Cultivation or for Non-Remuneration Cultivation in Nevada County may also Transport its own Cannabis from its licensed and permitted Premises to the extent allowed by the permit holder's State license and State law without obtaining an additional permit from Nevada County. The permit from Nevada County, however, must indicate that such Transport is specifically allowed. In order to engage in Transport of Cannabis or Cannabis products, the permit holder must provide the County with proof of possession of a "Distributor Transport Only" (Self-Distribution only) California State license, as set forth in California Code of Regulations, Title 16, Division 42, Chapter 2, section 5315, allowing for Transport of Cannabis from the Cultivation site as long as said license is necessary under State law. Said State license must be maintained in good standing in order to engage in the Transport of cannabis in the County of Nevada. Notwithstanding the foregoing, this provision does not authorize the holder of an ACP to Transport Cannabis away from the Cultivation sites of other permit holders.
6. Commercial Cannabis Activity in County of Nevada may only be conducted by individuals and/or entities licensed by the State of California to engage in the activity for which a permit was issued by the County of Nevada. Commercial Cannabis Activities may not commence, and the Nevada County permit is not valid, until the appropriate license is obtained from the State of California.
7. A maximum of three (3) Cultivation permits will be issued per person or entity for purpose of engaging in Commercial Cannabis Activities. No person or entity may have any financial interest in more than three (3) Commercial Cannabis businesses and/or enterprises in Nevada County.
8. A Primary Caregiver may cultivate no more than five hundred (500) square feet of Canopy per Qualified Patient for up to five (5) specified Qualified Patients for whom he or she is the Primary Caregiver within the meaning of Section 11362.7 of the Health and Safety Code, if said Primary Caregiver does not receive remuneration for these activities except for compensation in full compliance with subdivision (c) of Section 11362.765 of the Health and Safety Code. Cultivation under this provision, however, must otherwise comply with all other regulations applying to Commercial Cannabis Cultivation under this Article.
9. Cannabis Support Areas are limited to a maximum area equal to 25% of the overall Canopy Area. The Support Area boundary shall be clearly identified on any plans that are submitted and on the Premises.

## **G. Permitting of Commercial and Non-Remuneration Cannabis Activities**

Permitting to engage in Commercial Cannabis Activities or Non-Remunerative Cannabis Cultivation in Nevada County is a two-step process. One must obtain both a land use permit (either a CCP or an ADP) and an Annual Cannabis Permit. The Permitting Authority may issue permits to Applicants meeting the requirements of this Section G and this Article.

1. Cannabis Cultivation Permit (CCP) requirements are as follows:
  - a. Canopy sizes of a combined total of up to 2,500 sq. feet (Indoors, Mixed-Light or Outdoors) on the Premises.
  - b. Compliance with all local CCP permitting requirements is necessary.
  - c. CCPs are not transferrable or assignable to any other person, entity or property.

- d. Applicant must provide the following as part of their application for a CCP:
- i. A complete application.
  - ii. A list of all individuals and/or entities with any financial interest in the Commercial Cannabis Activity, including names, addresses, titles, nature and extent of financial interest, and disclosure of all financial interest in any and all cannabis businesses in the County.
  - iii. Copy of identification acceptable to County, including but not limited to driver's license or passport.
  - iv. All CCP permits are subject to all of the resource protection standards identified in Section L-II 4.3.3 of this Chapter.
  - v. A detailed site plan setting forth the intended location of the Canopy Area and any Support Area, detailed description of intended activities, setbacks, descriptions of existing and proposed structures and any other information required to show compliance with this Article. In addition the site plan shall include:
    - a) All landmark trees, landmark groves and heritage trees and groves as defined by the Zoning Ordinance. If such trees exist, the applicant shall indicate that the proposed cultivation sites and any proposed ancillary structures would not require removal of any of the listed trees and that all cannabis cultivation and accessory structures are outside the existing drip line of all trees. If any Cultivation or accessory structure would require removal or encroach in the drip line of any trees and the project plans shall be revised to avoid the trees. If any trees or groves are dead, dying, or a public safety hazard as determined by a qualified professional, no further action is required.
    - b) All Prime Farmland, Unique Farmland, or Farmland of Statewide Importance based on the most recent available mapping provided by the California Department of Conservation (CDOC) Farmland Mapping & Monitoring Program (FMMP) that exist on the project site. If such lands exist, the applicant shall show on the site plan(s) that any proposed accessory structure and related improvements (e.g., driveways, staging areas, etc.) have been located on the property in which impacts to mapped farmlands are reduced to the maximum extent practicable. A Management Plan pursuant to LUDC section L-II 4.3.3 shall be required if any cultivation activities or structures encroach into mapped farmland.
  - vi. Irrigation water service verification.
  - vii. Sewer/septic service verification.
  - viii. Electrical service verification.
  - ix. A security plan.
  - x. A light control plan that demonstrates how light used for cultivation purposes would be controlled. Light control measures may include but not be limited to means such as using blackout tarps to completely cover all greenhouses and hoop-houses or restricting the use of lighting between sunset and sunrise.
  - xi. All Commercial Cannabis Cultivation applications shall include language in project cultivation plans and on project site plans when applicable, that that the grading or building permit for the proposed project shall comply with applicable state and federal air pollution control laws and regulations, and with applicable rules and regulations of the NSAQMD during any construction and during operations of cannabis facilities. Compliance with NSAQMD Rule 226 Dust Control Plan shall be required, and all construction equipment (75 horsepower and greater) shall not be less than Tier 3, less than Tier 4 Interim if construction starts after 2025, and Tier 4 Final if construction starts after 2030. Written documentation that the cannabis facility is in compliance with the NSAQMD shall be provided to the Nevada County Planning Department.
  - xii. All Commercial Cannabis Cultivation and Non-Remuneration Cultivation operations are restricted from burning any cannabis or other vegetative materials. The following

language shall be included on all site plans: "The burning of any part of the cannabis plant or plant materials that is considered excess or waste is prohibited from being burned."

- xiii. All applications shall include biological pre-screening materials. The materials shall include adequate information to define site constraints and show potentially sensitive biological resource areas. Materials shall include, at a minimum, project location (site address and parcel numbers); site aerials, photographs of proposed areas of disturbance (includes canopy area, accessory structures, and any related improvements [e.g., driveways, staging areas, etc.]), photographs of vegetative cover, a thorough project description describing all phases of construction, all proposed structures and cultivation areas, location of any streams, rivers, or other water bodies, limits and depth of grading, any grading cut or fill in a stream, river, or other water body, any water diversions and/or description of the source of water, water storage locations, and source of electricity (if applicable). If avoidance or protection measures are required, a Habitat Management Plan (HMP) consistent with the requirements of Section L-II 4.3.3 of the Nevada County Land Use and Development Code shall be prepared. If potential impacts on these biological resources cannot be reduced to less than significant levels, no permit shall be issued.
- xiv. Applications shall include a Non-Confidential Records Search to NCIC to determine the potential for Commercial Cannabis Cultivation sites to disturb historic, cultural, or tribal resources. Upon receipt, should the County find the NCIC recommends a cultural resource study, the applicant shall retain a qualified professional to conduct a cultural resource study of the project area. No permit shall be issued until the completion of such report, and if needed, until recommended mitigation is implemented, or a plan has been submitted to the County for implementation.
- xv. All applications that include ground disturbance shall include a note on the plans that if subsurface archeological and/or paleontological features or unique geologic features are discovered during construction or ground disturbance, all activities within 50-feet of the find shall cease and the County shall be notified immediately. A qualified archaeologist/paleontologist shall be retained by the County to assess the find and shall have the authority to prescribe all appropriate protection measures to future work. If buried human remains are discovered during construction or ground disturbance, all activities shall cease and the County shall be notified immediately. The County shall notify the coroner to examine the remains. If the remains are determined to be of Native American origin, the Native American Heritage Commission shall be notified, and all sections details in Section 5097.98 of the California Public Resources Code shall be followed.
- xvi. Copy of Deed to Property indicating applicant ownership.
- xvii. Acknowledgement of standards set forth in ordinance.
- xviii. Copy of valid state license application allowing for type of Commercial Cannabis Activity applied for (if available).
- xix. Lease information.
- xx. Payment of applicable fees.
- xxi. Provide proof of purchase of a Certificate of Deposit from a commercial banking institution approved by the Enforcing Officer in the amount of \$5,000.00 which may be accessed by County of Nevada.
- xxii. A valid email address and acknowledgement that the applicant agrees to accept service of any notice required or allowed by this Article via email.
- e. Applicant must allow for right of entry and inspections to ensure permit eligibility and compliance.
- f. Secondary Access and Dead End Road Requirement Exemption:
- g. Secondary access may be waived at the discretion of the Permitting Authority if applicant attests that there will be no special events held on the Premises and that the general public will not have access to the Premises.

- h. Applicant shall obtain and keep a valid and active ACP for the CCP to remain active. If an ACP is not obtained within six months of issuance of the CCP, or if the ACP is revoked or denied renewal, the County may take any actions allowed by this Article or by law to revoke the CCP.
- 2. Administrative Development Permit (ADP) requirements are as follows:
  - a. Canopy sizes of a combined total of 2,501-10,000 sq. feet (Indoors, Mixed-Light or Outdoors on the Premises).
  - b. Compliance with all ADP permitting requirements is necessary.
  - c. ADPs are not transferrable or assignable to any other person, entity or property.
  - d. Applicant must provide a complete application that contains all requirements of the CCP application listed in Section G.1.d, above.
  - e. Applicant must allow for right of entry and inspections to ensure permit eligibility and compliance.
  - f. Secondary Access and Dead End Road Requirement Exemption:  
Secondary access may be waived at the discretion of the Permitting Authority if applicant attests that there will be no special events held on the Premises, that the general public will not have access to the Premises, that no more than ten (10) employees will be on the Premises at any given time, and that the Fire Authority approves the exemption.
  - g. Applicant shall obtain and keep a valid and active ACP for the ADP to remain active. If an ACP is not obtained within six months of issuance of the ADP, or if the ACP is revoked or denied renewal, the County may take any actions allowed by this Article or by law to revoke the ADP.
- 3. Annual Cannabis Permit (ACP): This permit may be issued to the individual/entity engaging in the Commercial Cannabis Activity and Non-Remuneration Cultivation.
  - a. Permit for Commercial Cannabis Activities:  
Applicant must submit the following information as part of the application process:
    - i. A complete application.
    - ii. The exact location of the proposed Cannabis Activity.
    - iii. A copy of all applications of licensure submitted to the State of California related to the proposed Cannabis Activities.
    - iv. A list of all individuals and/or entities with any financial interest in the Commercial Cannabis Activity, including names, addresses, titles, nature and extent of financial interest, and disclosure of all financial interest in any and all cannabis businesses in the County.
    - v. Tax identification information.
    - vi. Detailed description of any law enforcement and/or code enforcement activities at the Premises proposed for the Cannabis Activities.
    - vii. Copy of identification acceptable to County, including but not limited to driver's license or passport.
    - viii. A detailed site plan setting forth the intended location of the Canopy Area and any Support Area, detailed description of intended Cannabis Activities, setbacks, descriptions of existing and proposed structures and any other aspects required to show compliance with this Article.
    - ix. Irrigation water service verification.
    - x. Sewer/septic service verification.
    - xi. Electrical service verification.
    - xii. A security plan.
    - xiii. Notarized landlord authorization to engage in activity or deed of ownership.
    - xiv. Acknowledgement of standards set forth in ordinance.
    - xv. Copy of valid state license application allowing for type of Commercial Cannabis Activity applied for (if available).

- xvi. Lease information.
  - xvii. Payment of applicable fees as may be established and amended by the County.
  - xviii. A valid email address and acknowledgement that the applicant agrees to accept service of any notice required or allowed by this Article via email.
- b. Non-Remunerative ACP applicants must submit the following:
- i. A complete application.
  - ii. The exact location of the proposed Cultivation.
  - iii. Sufficient proof that the applicant is a Qualified Caregiver.
  - iv. Copies of valid recommendations from qualified physicians for each Qualified Individual for whom Cannabis is being Cultivated.
  - v. Background information, including but not limited to a statement that the applicant and owner have submitted to a Live Scan background check no earlier than 30 days prior the date of application.
  - vi. Detailed description of any law enforcement and/or code enforcement activities at the Premises proposed for the Cannabis Cultivation.
  - vii. Copy of approved identification.
  - viii. A detailed site plan setting forth the intended location of the Canopy Area and any Support Area, detailed description of intended activities, setbacks, descriptions of existing and proposed structures and any other information required to show compliance with this Article.
  - ix. Irrigation water service verification.
  - x. Sewer/septic service verification.
  - xi. Electrical service verification.
  - xii. A security plan.
  - xiii. Notarized landlord authorization to engage in activity or deed of ownership.
  - xiv. Acknowledgement of standards set forth in ordinance.
  - xv. Lease information.
  - xvi. Payment of applicable fees as may be established and amended by the County.
  - xvii. A valid email address and acknowledgement that the applicant agrees to accept service of any notice required or allowed by this Article via email.
- c. Applicant must allow for right of entry and inspections to ensure permit eligibility and compliance.
- d. Secondary Access and Dead End Road Requirement Exemption:  
Secondary access may be mitigated at the discretion of the Permitting Authority if applicant attests that there will be no special events held on the Premises, that the general public will not have access to the Premises, that no more than ten (10) employees will be on the Premises at any given time, and that Fire Authority approves the exemption.
- e. ACPs must be renewed annually.
4. In the event that the proposed site plan does not meet the setback requirements of this Article, the applicant may propose use of an easement agreement with an adjacent property owner or obtain a setback variance in order to satisfy the setback requirements (a "Setback Easement" or "Setback Variance"). Setback Easements and/or Variances relating to Indoor, Mixed-Light and Outdoor Cultivation and Support Areas will be granted and issued at the discretion of the Permitting Authority, and only as follows:
- a. Setback Variances shall follow the requirements of Sec. L-II 5.7 of the Nevada County Land Use and Development Code. Setback Variances shall be limited to a minimum setback of 60ft to property lines. Except as set forth in subsections below, no Setback Variance will be considered for any other provision of this Article including, but not limited to, Canopy Area, minimum parcel size, zoning designations or methods of cultivation. The findings required for approval of a Setback Variance shall be those listed in Sec. L-II 5.7 in addition to the following finding:

- i. The Setback Variance will not result in any increased odor impacts to neighboring properties and all potential increases in odor impacts have been adequately mitigated.
- b. Setback Easements are intended to allow limited flexibility for purposes of compliance with setback requirements only. Except as set forth in subsections below, no Setback Easement will be considered for any other provision of this Article including, but not limited to, Canopy Area, minimum parcel size, zoning designations or methods of cultivation.
- c. Setback Easements must comply with the following:
  - i. Setback Easement area cannot exceed 40% of the required setback.
  - ii. The majority of the burden of the setback must remain with the applicant.
  - iii. The easement must contain the following language: "This easement may be used to meet the Nevada County setback requirements to construct an Accessory Structure for the purpose of Cultivating Cannabis Indoors, Mixed-Light, or Outdoors pursuant to the Nevada County Code."
  - iv. All other legal and local requirements of a Setback Easement must be met.
- d. The Permitting Authority has the discretion to authorize construction of an Accessory Structure a distance less than 1000 feet from a state and/or federal Park if the following criteria are met:
  - i. the proposed site is at least 300 feet from the property line of the State or Federal Park; and
  - ii. the portion of the State or Federal Park that is adjacent to the Parcel or Premises upon which the Accessory Structure is proposed to be constructed is inaccessible by the public and is unimproved.

The Permitting Authority has the authority to submit the application through the Planning Commission process for approval if, in his/her discretion, such approval is appropriate.

#### 5. Transition Period for Non-Cannabis Violations on the Premises.

The issuance of Cannabis Cultivation Permits, Administrative Development Permits, or Annual Cannabis Permits may be withheld if any violations of Nevada County Municipal Codes not related to Cannabis Activities exist on the Parcel or Premises upon which Commercial Cannabis Activities are proposed to be conducted. At the discretion of the Permitting Authority, applicants may be given up to two years from the date of the submission of the application for Cannabis Activity permits, including use and development permits, to bring existing building code and other violations not related to Cannabis Activities into compliance with local regulations. For this section to apply, all required permits to correct code defects must be submitted and substantial progress toward compliance made during this transition period. Failure to correct said code violations by the initial expiration of an ACP may result in the ACP not being renewed. Nothing in this provision precludes the County from proceeding to seek revocation of land use permits for failure to correct code defects. This provision does not apply to any structure, other site improvements in which Cannabis Activities will be conducted which was not previously properly permitted, or to any code violations which adversely impact health and safety, including but not limited to electrical or fire hazards. Structures, grading, and utilities which will be used for Cannabis Activities must be in compliance with all local and state regulations prior to the commencement of Commercial Cannabis Activities unless said structures were previously properly permitted. This provision providing for a transition period expires two years from the date this Article is initially adopted, after which time, no CCP or ADP will be issued for Commercial Cannabis Activities unless the Parcel and/or Premises, and all improvements thereon, are fully compliant with the Nevada County Municipal Codes.

## **H. Change in Land Use**

To the extent feasible, the County shall encourage any person proposing to construct or operate a new or relocated School, Sensitive Site, Church, Park, Day Care, or Child Care Center, or Youth-Oriented Facility to consider whether the proposed location of such use is within 1,000 feet of a Premises upon which Cannabis Cultivation is permitted or where a Notice to Abate has been issued within the past year. Upon request, the Enforcing Officer shall inform any person proposing to construct or operate a new or relocated School, Church, Park, Daycare, Childcare Center, or Youth-Oriented Facility regarding whether there is such a Premises within 1,000 feet of the proposed location of such use, and, if so, shall also inform the person, owning, leasing, occupying, or having charge or possession of that Premises that such a use is being proposed within 1000 feet of the Premises. (Ord. 2405, 1/12/16)

## **I. Denial, Suspension, and Revocation of Permits**

### **1. Denial – Initial Application for Any Permit.**

An application for any permit to be issued pursuant to this Article shall be denied following review of the application if the Permitting Authority determines that the applicant has not complied with the requirements of Section G of this Article or makes any of the findings listed in subsection 5 below.

### **2. Denial – Renewal of ACP.**

Renewal of an existing Annual Cannabis Permit shall be denied if the Permitting Authority makes any of the findings listed in Subsection 5 below.

### **3. Suspension of ACP.**

Prior to or instead of pursuing revocation of an ACP, the Permitting Authority may suspend an ACP for thirty (30) days if the Permitting Authority makes any of the findings listed in Subsection 5 below. The Permitting Authority shall issue a Notice of Suspension to the holder of the ACP by any of the methods listed in Section B.1. Such Notice of Suspension shall state the reason for suspension and identify what needs to be cured and corrected during the suspension period. Suspension is effective upon service as described in Section B.2. All Cannabis Activities must cease upon suspension. The Permitting Authority's decision to suspend an ACP may not be appealed. Nothing in this provision should be construed to limit the Permitting Authority's ability to revoke an ACP without suspension.

### **4. Revocation – ACP**

An ACP may be revoked if the Permitting Authority makes any of the findings listed in Subsection E, below. The Permitting Authority shall issue a Notice of Revocation to the holder of the ACP by any of the methods listed in Section B.1. Such Notice of Revocation shall state the reason for revocation, and that the holder of the ACP may appeal the revocation to the Hearing Body within five (5) days of service. The Hearing Body's decision on the ACP revocation is final. Any hearing requested pursuant to this Subsection I.4 may be combined with any other hearing pertaining to the same Cannabis Activities, Premises, or Parcel that is held by the Hearing Body pursuant to this Article, including an abatement hearing.

### **5. Revocation – CCP or ADP.**

Any CCP or ADP may be revoked following a noticed hearing if the Hearing Body makes any of the findings listed below. The Permitting Authority shall issue a Notice of Revocation at least ten (10) days before the hearing, and shall issue notice of the hearing as set forth in Section L-II 5.13. Notwithstanding the foregoing, a Notice to Abate issued pursuant to Section J may simultaneously serve as a Notice of Revocation if such revocation is described in the Notice to Abate. Any hearing held pursuant to this Subsection I.5 may be combined with any other hearing pertaining to the same Cannabis Activities, Premises, or Parcel that is held by the Hearing Body pursuant to this Article, including an abatement hearing. A CCP or ADP may be revoked if the Hearing Body finds that any of the following have occurred:

- a. Discovery of untrue statements submitted on a permit application.

- b. Revocation or suspension of any State license required to engage in Commercial Cannabis Activities.
  - c. Previous violation by the applicant, or violation by the permittee, of any provision of the Nevada County Code or State law, including any land use permit conditions associated with the permittee's business operations.
  - d. Failure to meet any of the general eligibility requirements to obtain a permit as set forth in this Article.
  - e. Violation of, or the failure or inability to comply with, any of the restrictions or requirements for the issuance of a license or conducting business operations as set forth in this Article, including any administrative rules or regulations promulgated by the Permitting Authority or any conditions associated with the issuance of the permit or any associated land use permit or other permit.
  - f. Violation of, or failure to comply with, any land use or other permit requirements associated with the licensee's Commercial Cannabis Activities, including but not limited to zoning, building, fire, and agricultural permits as may be required for the activity and the operations site.
  - g. Violation of, or failure to comply with, any State or local law in conducting business operations, including any laws associated with the MAUCRSA.
  - h. With the exception of those employed at a Cultivation site, allowing any person between the ages of 18 and 21 years of age to enter a Cultivation site, or allowing any person younger than 18 years of age to enter a Cultivation site without a parent or legal guardian.
  - i. Failure to contain all irrigation run-off, fertilizer, pesticides, and contaminants on-Premises.
  - j. Failure to allow inspections of the Premises and business operations by the Permitting Authority, Building Official, Fire Authority, law enforcement, or Enforcing Officer at any time, with or without notice.
  - k. Failure to timely pay any local, State, or federal tax associated with or required by the licensee's cannabis business activities, including any taxes required to be paid under the Nevada County Code, as may be established or amended.
  - l. Creation or maintenance of a public nuisance.
  - m. Conviction of a criminal offense by any permit holder that would justify denial of a state license.
  - n. Failure to post and maintain at the Cultivation site, in a prominent location a copy of the local permit(s) issued pursuant to this section and a copy of any State license(s) required for the activity.
  - o. Failure to fully cooperate with a financial audit by the County of Nevada of any and all aspects of the permittee's business, including but not limited to on-site inspection and review of financial transactions, sales records, payroll and employee records, purchase orders, overhead expense records, shipping logs, receiving logs, waste disposal logs, bank statements, credit card processing statements, inventory records, tax records, lease agreements, supplier lists, supplier agreements, policies and procedures, and examination of all financial books and records held by the licensee in the normal course of business.
  - p. Intentional or negligent diversion of Cannabis to minors, failure to secure and safeguard Cannabis from minors, or Transport of Cannabis not authorized by this Article or State law.
6. If an initial application or renewal permit is denied, or if a permit is revoked, all Cultivation on the parcel shall cease immediately, subject to the Permitting Authority or Hearing Body's discretion to allow operations to continue for a brief period of time to complete miscellaneous wind-down operations.

7. Under no circumstances shall a cause of action for monetary damages be allowed against the County of Nevada, the Permitting Authority, Hearing Body, or any County official or employee as a result of a denial or a revocation of a permit. By applying for a permit, the applicant and owners associated with a Commercial Cannabis Cultivation business waive any and all claims for monetary damages against the County and all other aforementioned officials and employees of the County of Nevada that may be associated with the denial or revocation of a permit.

#### **J. Enforcement; Notice to Abate Unlawful Cannabis Activities**

1. Issuance of Notice to Abate Unlawful Cannabis Activities ("Notice to Abate")

Whenever the Permitting Authority, as may be assisted by the Enforcing Officer, determines that a public nuisance as described in this Article exists on any Parcel or Premises within the unincorporated area of Nevada County, he or she is authorized to notify the Violator(s) through issuance of a "Notice to Abate Unlawful Cannabis Cultivation"; provided, however, that nothing in this Article shall affect or preclude the Sheriff, or other Enforcing Officer, from taking immediate abatement action without notice to address any Cannabis which is Cultivated, possessed, or distributed in violation of state law or when Cannabis Cultivation constitutes an immediate threat to the public health or safety, and where the procedures set forth herein would not result in abatement of that nuisance within a short enough time period to avoid that threat. (Ord. 2416, 7/26/16)

2. Costs and Administrative Civil Penalties; Cure Period

Whenever a Notice to Abate is issued, the Violator shall be provided with five (5) calendar days from date of service, as defined in Section B.1, to correct the violation before imposition of costs and/or civil penalties as set forth in Section N, below.

#### **K. Contents of Notice**

The Notice of Abatement shall be in writing and shall:

1. Identify the Violator(s), including owner(s) of the Parcel or Premises upon which the nuisance exists, as named in the records of the County Assessor; the occupant(s), if other than the owner(s), and if known or reasonably identifiable; and the holder(s) of any permit obtained pursuant to this Article, if applicable and different than the foregoing.
2. Describe the location of such Parcel or Premises by its commonly used street address, giving the name or number of the street, road or highway and the number, if any, of the property.
3. Identify such Parcel or Premises by reference to the Assessor's Parcel Number(s).
4. Contain a statement that unlawful Cannabis Cultivation exists on the Parcel or Premises and that it has been determined by the Permitting Authority or Enforcing Officer to be a public nuisance as described in this Article.
5. Describe the unlawful Cannabis Cultivation that exists and/or any permit violations and/or any Land Use and Development Code violations, and the actions required to abate the nuisance.
6. Contain a statement that the Violator is required to abate the unlawful Cannabis Cultivation and pay any applicable administrative civil penalties within five (5) calendar days after the date that said Notice was served pursuant to Section L of this Article.
7. Contain a statement that, if the condition is not abated within five (5) calendar days from the service of this Notice, costs and administrative civil penalties in the amounts set forth in Section N will begin to accrue on the sixth (6<sup>th</sup>) calendar day following service of this Notice.
8. Contain a statement that the Violator may, within five (5) calendar days after the date that said Notice was served, make a request in writing to the Clerk of the Board of Supervisors pursuant to Section N of this Article for a hearing to appeal the determination of the Permitting Authority

or Enforcing Officer or to show other cause why the conditions described in the Notice should not be abated in accordance with the Notice and the provisions of this Article.

9. Contain a statement that, unless the Violator abates the unlawful Cannabis Cultivation or requests a hearing before the Board of Supervisors or its designee within the time prescribed in the Notice, the Permitting Authority or Enforcing Officer will take any or all of the following actions, as applicable: (i) revoke any permit issued pursuant to this Article, (ii) abate the nuisance at the Violator's expense, and (iii) impose costs and administrative civil penalties pursuant to this Article. If any of these actions are currently proposed, the Notice shall so state and shall state the amounts of any penalties. The Notice shall also state that any costs and/or administrative civil penalties may be imposed as a special assessment added to the County assessment roll and become a lien on the real property, or be placed on the unsecured tax roll. (Ord. 2416, 7/26/16)

#### **L. Service of Notice to Abate**

1. A Notice to Abate may be served by any of the following methods:
  - a. By personal service to any Violator, the owner of the Parcel or Premises, occupant of the Parcel or Premises, Designated Responsible Party, or any person appearing to be in charge or control of the affected Parcel.
  - b. By first class or certified U.S. Mail to any Violator, the owner of the Parcel or Premises, occupant of the Parcel or Premises, or Designated Responsible Party at the address shown on the last available equalized secured property tax assessment roll, or otherwise known by the Enforcing Officer.
  - c. By posting the notice in a prominent and conspicuous place on the affected Parcel or Premises or abutting public right-of-way; however, if access is denied because a common entrance to the property is restricted by a locked gate or similar impediment, the Notice may be posted at that locked gate or similar impediment.
  - d. By email to any CCP, ADP, or ACP holder; however, if service is by email, the Notice shall also be deposited in the U.S. Mail. The date of the email is the effective service date.
2. The date of service is deemed to be either the date of personal delivery, posting, email, or three calendar days following deposit in the U.S. mail. (Ord. 2416, 7/26/16)

#### **M. Administrative Review; Abatement Hearing**

1. The Board of Supervisors delegates the responsibility to conduct a hearing in conformance with this Article to a Hearing Body.
2. Any Violator upon whom a Notice to Abate has been served may appeal the determination of the Permitting Authority or Enforcing Officer in order to show cause before the Hearing Body why the conditions described in the Notice should not be abated in accordance with the provisions of this Article or to prove that they have been abated. Any such appeal shall be commenced by filing a written request for a hearing with the Clerk of the Board of Supervisors within five (5) calendar days of service of the Notice to Abate as described in Section L of this Article. The written request shall be accompanied by the County's appeal fee (as may be approved by the Board of Supervisors from time to time) and payment of any administrative civil penalties identified in the Notice to Abate. The appeal shall also include a statement of all facts supporting the appeal, including why the Cannabis Cultivation that is the subject of the Notice to Abate is not in violation or is no longer in violation of this Article. The time requirement for filing such a written request shall be deemed jurisdictional and may not be waived. In the absence of a timely filed appeal by way of written request for a hearing that complies fully with the requirements of this Section, the findings of the Enforcing Officer contained in the Notice to Abate shall become final and conclusive on the sixth calendar day following service of the Notice to Abate.

3. Upon timely receipt of a written request for hearing which complies with the requirements of this Section, the Clerk of the Board of Supervisors shall set a hearing date not less than five (5) calendar days or more than twenty (20) calendar days from the date the request was filed. The Clerk of the Board shall send written notice of the hearing date to the Violator, to any other parties upon whom the Notice to Abate was served, and to the Enforcing Officer and/or Permitting Authority. Continuances of the hearing will only be granted on a showing of good cause. Unavailability of an attorney does not constitute "good cause."
4. Any hearing conducted pursuant to this Article need not be conducted according to technical rules relating to evidence, witnesses and hearsay. Any relevant evidence shall be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs regardless of the existence of any common law or statutory rule which might make improper the admission of the evidence in civil actions. The Hearing Body has discretion to exclude evidence if its probative value is substantially outweighed by the probability that its admission will necessitate undue consumption of time.
5. The Hearing Body may continue the administrative hearing from time to time based on showing of good cause as stated above. Unavailability of an attorney does not constitute "good cause."
6. The Hearing Body shall consider the matter de novo, and may affirm, reverse, or modify the determinations contained in the Notice to Abate. The Hearing Body shall issue a written decision, which shall include findings relating to the existence or nonexistence of the alleged unlawful Cannabis Cultivation at the time the Notice to Abate was served, findings concerning the property and means of abatement of the conditions set forth in the Notice, whether any abatement efforts were made at all after the Notice was served, and whether imposition of any administrative civil penalties is proper. The Hearing Body may announce its decision at the hearing or take the matter under submission. In either case, a written copy of the decision shall be mailed to the Violator, any other parties upon whom the Notice was served, and the Enforcing Officer and/or Permitting Authority within ten (10) calendar days. Service of the Hearing Body's decision shall be deemed complete three (3) calendar days after mailing.
7. The decision of the Hearing Body shall be final and conclusive. Following the Hearing Body's decision, Violators may only seek judicial remedies. If the Hearing Body removes any administrative penalties already paid by the Violator prior to the hearing, Violator is entitled to reimbursement of those penalties. Failure to appear at a properly noticed hearing constitutes failure to exhaust administrative remedies.

#### **N. Liability for Costs; Administrative Civil Penalties**

1. In any enforcement action initiated by a Notice to Abate, any Violator shall be liable for all costs incurred by the County, including, but not limited to all costs and attorneys' fees as described in this Section. Any such Violator shall also be liable for any and all administrative civil penalties described in this Section.
2. For purposes of this Section, "costs" include any and all costs incurred to undertake, or to cause or compel any Violator to undertake, any abatement action in compliance with the requirements of this Article, whether those costs are incurred prior to, during, or following enactment of this Article. "Costs" also include direct and indirect costs related to the performance of various administrative acts required to enforce this Chapter, which include but are not limited to costs associated with: administrative overhead, County staff time and expenses incurred by County Officers, site inspections, investigations, notices, telephone contacts and correspondence, conducting hearings, time expended by County staff in calculating the above expenses, time and expenses associated with bringing the matter to hearing, costs of judicially abating a violation, and all costs associated with removing, correcting or otherwise abating any violation including calculating and imposing civil penalties pursuant to this Article.

3. For purposes of this Section, "attorneys' fees" include any attorneys' fees incurred by the County before and during preparation of the Notice to Abate and as a result of administrative hearing proceedings or the abatement process. In no action, administrative proceeding, or special proceeding shall an award of attorneys' fees exceed the amount of reasonable attorneys' fees incurred by the County in the action or proceeding.
4. Administrative Civil Penalties.
  - a. In addition to any other remedy prescribed in this Article, including liability for costs described in this Section N, the County may impose administrative civil penalties for any violation of this Article. Administrative civil penalties may be imposed via the administrative process set forth in this Article, as provided by Government Code section 53069.4, or may be imposed by the court if the violation requires court enforcement.
  - b. Acts, omissions, or conditions in violation of this Article that continue to exist, or occur on more than one day constitute separate violations on each day.
  - c. Violators are subject to the imposition of administrative civil penalties as follows:
    - i. An amount equal to three times the total of the permit fees per violation; or
    - ii. An amount equal to \$1,000 per violation per day, whichever is greater.
    - iii. In any event, the maximum annual penalty per violation per year is \$25,000.
    - iv. These administrative civil penalties will begin to accrue on the date 6<sup>th</sup> day after the Notice to Abate is served and will continue to accrue until the nuisance is abated to the satisfaction of the Enforcing Officer or as otherwise directed by a Hearing Body presiding over any hearing regarding abatement of the nuisance.
    - v. These amounts are separate and distinct from any administrative civil penalties that may be imposed by the County for building or safety code violations as described in Subsection N.4.d, below.
    - vi. In determining the amount of the administrative civil penalty to be imposed, the Enforcing Officer, Hearing Body, or the court if the violation requires court enforcement, shall take into consideration the nature, circumstances, extent and gravity of the violation or violations, any prior history of violations, the degree of culpability, and economic savings, if any, resulting from the violation and any other matters justice may require.
    - vii. Nothing in this Article precludes an Enforcing Officer from conducting inspections day to day as permitted by law and this Article to determine if a violation has been abated or otherwise corrected.
  - d. Separate, apart from and in addition to the administrative civil penalties described in this Section, the following administrative civil penalties may be imposed for violations of any building and safety code provisions of the County's Land Use and Development Code. Notice of any such violations may be included in a Notice to Abate issued pursuant to this Article, and administrative civil penalties may be imposed by the Enforcing Officer and/or Hearing Body. Such violations are considered violations of this Article and are also grounds for permit revocation or denial. The administrative civil penalties issued to a Violator for violation of any building or safety code are as follows:
    - i. First violation in a 12-month period: \$130 per day/per violation that nuisance remains unabated.
    - ii. Second violation in a 12-month period: \$700 per day/per violation that nuisance remains unabated.
    - iii. Any additional violation thereafter in a 12-month period: \$1,300 per day/per violation that nuisance remains unabated.

- iv. Each additional violation within a 24-month period of the first violation: \$2,500 per day/per violation that nuisance remains unabated if the violation is due to failure to remove visible refuse or failure to prohibit unauthorized use of the property.
- v. Each violation of building and safety codes constitutes a separate violation. Each day or part of any day a violation exists constitutes a separate violation.
- vi. Nothing in this Article precludes an Enforcing Officer from conducting inspections day to day as permitted by law and this Article to determine if a violation has been abated or otherwise corrected.
- vii. In determining the amount of the administrative penalty, the Enforcing Officer, or the court if the violation requires court enforcement without an administrative process, shall take into consideration the nature, circumstances, extent and gravity of the violation or violations, any prior history of violations, the degree of culpability, economic savings, if any resulting from the violation and any other matters justice may require.

#### 5. Imposition of Costs and Administrative Civil Penalties.

The Enforcing Officer may impose costs and administrative civil penalties by issuance and service of a Notice to Abate, which shall state the amount of the proposed administrative penalty pursuant to Sections K and L. Following service of a Notice to Abate, imposition of costs and administrative civil penalties shall occur as follows:

- a. Imposition of costs and administrative civil penalties may be appealed to the Hearing Body. Any such appeal shall be commenced by filing a written request for a hearing with the Clerk of the Board of Supervisors within five (5) calendar days of service of the date that the Notice to Abate was served as described in Section L of this Article. The written request shall be accompanied by the County's appeal fee (as may be approved by the Board of Supervisors from time to time) and payment of any costs and administrative civil penalties identified in the Notice to Abate. The appeal shall also include a statement of all facts supporting the appeal, including why the administrative civil penalties should not be imposed. The time requirement for filing such a written request shall be deemed jurisdictional and may not be waived. In the absence of a timely filed appeal by way of written request for a hearing that complies fully with the requirements of this Section, the findings and administrative civil penalties of the Enforcing Officer contained in the Notice to Abate shall become final and conclusive on the sixth calendar day following service of the Notice to Abate.
- b. Any hearing conducted pursuant to this Section shall be conducted pursuant to the process set forth in Section M. The decision of the Hearing Body is final. Nothing in this Section N shall be construed to prohibit combination of any hearing for administrative civil penalties with any other hearing required or allowed by this Article, including an abatement hearing.
- c. Payment of an administrative penalty imposed by the Hearing Body shall be made to the County within twenty (20) calendar days of service the Hearing Body's decision, unless timely appealed to the Superior Court in accordance with Government Code section 53069.4(b).
- d. Interest shall accrue on all amounts under this Section from the effective date of imposition of the administrative civil penalty to the date fully paid pursuant to the laws applicable to civil money judgments.
- e. Abatement of unlawful Cannabis Cultivation prior to any hearing or appeal of a Notice to Abate Unlawful Cannabis Cultivation does not absolve the Violator of the obligation to pay the administrative civil penalties.

#### 6. Lien.

In addition to any other legal remedy, whenever the amount of any costs or administrative civil penalties imposed pursuant to this Article has not been satisfied in full within ninety (90) days of service of the Notice to Abate or service of the Hearing Body's decision, whichever is later, and whenever that amount has not been timely appealed to the Superior Court in accordance with Government Code section 53069.4 (b), or if appealed, such appeal has been dismissed or denied, this obligation may be enforced as a lien against the real property on which the violation occurred.

- a. The lien provided herein shall have no force and effect until recorded with the County Recorder. Once recorded, the administrative order shall have the force and effect and priority of a judgment lien governed by the provisions of California Code of Civil Procedure section 697.340, and may be executed as provided in the California Code of Civil Procedure sections 683.110 to 683.220, inclusive.
  - b. Interest shall accrue on the principal amount of the lien remaining unsatisfied pursuant to the law applicable to civil money judgments.
  - c. Prior to recording any such lien, the Enforcing Officer shall prepare and file with the Clerk of the Board of Supervisors a report stating the amounts due and owing.
  - d. The Clerk of the Board of Supervisors will fix a time, date, and place for the Board of Supervisors to consider the report and any protests or objections to it.
  - e. The Clerk of the Board of Supervisors shall serve the owner of the property with a hearing notice not less than ten (10) calendar days before the hearing date. The notice must set forth the amount of the delinquent administrative penalty that is due. Notice must be delivered by first class mail, postage prepaid, addressed to the owner at the address shown on the last equalized assessment roll or as otherwise known. Service by mail is effective on the date of mailing and failure of the owner to actually receive notice does not affect its validity.
  - f. Any person whose real property is subject to a lien pursuant to this Section may file a written protest with the Clerk of the Board of Supervisors and/or may protest orally at the Board of Supervisors meeting. Each written protest or objection must contain a description of the property in which the protesting party is interested and the grounds of such protest or objection.
  - g. At the conclusion of the hearing, the Board of Supervisors will adopt a resolution confirming, discharging, or modifying the lien amount.
  - h. Within thirty (30) days following the Board of Supervisors' adoption of a resolution imposing a lien, the Clerk of the Board of Supervisors will file same as a judgment lien in the Nevada County Recorder's Office.
  - i. Once the County receives full payment for outstanding principal, penalties, interest and costs, the Clerk of the Board of Supervisors will either record a Notice of Satisfaction or provide the owner with a Notice of Satisfaction for recordation at the Nevada County Recorder's Office. This Notice of Satisfaction will cancel the County's lien under this Section.
  - j. The lien may be foreclosed and the real property sold, by the filing of a complaint for foreclosure in a court of competent jurisdiction, and the issuance of a judgment to foreclose. There shall be no right to trial by jury. The County shall be entitled to its attorneys' fees and costs.
7. Administrative penalties imposed pursuant to this Section shall also constitute a personal obligation on each Violator – that is, on each person or entity who causes, permits, maintains, conducts or otherwise suffers or allows the nuisance to exist. In the event the administrative penalties are imposed pursuant to this Section on two or more persons for the same violation, all such persons shall be jointly and severally liable for the full amount of the penalties imposed.

In addition to any other remedy, the County may prosecute a civil action through the Office of the County Counsel to collect any administrative penalty imposed pursuant to this Section.

8. The Board of Supervisors delegates the responsibility to conduct a hearing in conformance with this Section E to a Hearing Body.

#### **O. Abatement by Violator**

Any Violator may abate the unlawful Cannabis Cultivation or cause it to be abated at any time prior to commencement of abatement by, or at the direction of, the Enforcing Officer or Hearing Body. Abatement prior to a hearing will not absolve Violator from paying costs and administrative civil penalties which accrued up to the date of abatement. Proof of abatement should be provided to the Enforcing Officer upon completion or to the Hearing Body at the time of hearing. Both the Enforcing Officer and the Hearing Body have the authority to find that abatement has occurred and that no violations of this Article continue to exist. (Ord. 2416, 7/26/16) Abatement will not preclude or forestall a report to the appropriate state agency and/or local, state law and/or federal enforcement and/or prosecuting authorities.

#### **P. Failure to Abate**

Whenever the Enforcing Officer becomes aware that a Violator has failed to abate any unlawful Cannabis Cultivation within five (5) calendar days of the date of service of the Notice to Abate Unlawful Cannabis Cultivation, unless timely appealed, or as of the date of the decision of the Hearing Body requiring such abatement, the Enforcing Officer may take one or more of the following actions:

1. Enter upon the property and abate the nuisance by County personnel, or by private contractor under the direction of the Enforcing Officer. The Enforcing Officer may apply to a court of competent jurisdiction for a warrant authorizing entry upon the property for purposes of undertaking the work, if necessary. If any part of the work is to be accomplished by private contract, that contract shall be submitted to and approved by the Board of Supervisors prior to commencement of work. Nothing herein shall be construed to require that any private contract under this Code be awarded through competitive bidding procedures where such procedures are not required by the general laws of the State of California; and/or
2. Request that the County Counsel commence a civil action to redress, enjoin, and abate the public nuisance; and/or
3. Issue administrative penalties in accordance with Section, N of this Article and/or Section L-II 5.23, et seq., of the Nevada County Land Use and Development Code; and/or
4. Take any other legal action as may be authorized under State or local law to abate and/or enforce the provisions of this Article. (Ord. 2416, 7/26/16)

#### **Q. Accounting**

The Enforcing Officer shall keep an account of the cost of every abatement and all administrative civil penalties and shall render a report in writing, itemized by parcel, to the Violator and the Hearing Body. The accounting will show the cost of abatement, the administrative penalties, and the administrative costs and fees for each parcel. The Enforcing Officer may have a copy of the accounting prepared to date at the time of a hearing requested by the Violator following a Notice to Abate, but the Enforcing Officer is not required to render its report to the Violator until the County completes abatement, if necessary. (Ord. 2416, 7/26/16)

#### **R. Notice of Hearing on Accounting; Waiver by Payment**

Upon completion of any abatement by the County and finalization of the accounting of all abatement costs and administrative civil penalties due at completion of abatement, Clerk of the Board of Supervisors shall serve a copy of the accounting to Violator(s) in accordance with Section L with a notice informing the Violator(s) that the Violator(s) may appeal the Enforcing Officer's determination of the accounting. Any such

appeal shall be commenced by filing a written request for a hearing with the Clerk of the Board of Supervisors within five (5) calendar days of service of the date that the notice was served as described in Section L of this Article. The written request shall be accompanied by the County's appeal fee (as may be approved by the Board of Supervisors from time to time). The appeal shall also include a statement of all facts supporting the appeal, including why the accounting is incorrect. The Violator may waive the hearing on the accounting by paying the full amount due prior to the time set for the hearing by the Hearing Body. Unless otherwise expressly stated by the Violator, payment of the full amount due prior to said hearing shall be deemed a waiver of the right thereto and an admission that said accounting is accurate and reasonable.

#### **S. Appeal Hearing on Accounting**

1. At the time fixed, the Hearing Body shall meet to review the accounting of the Enforcing Officer. Violator must appear at said time and be heard on the questions whether the accounting, so far as it pertains to the cost of abating a nuisance is accurate and the amounts reported reasonable. The cost of administration shall also be reviewed.
2. The accounting of the Enforcing Officer shall be admitted into evidence. The Violator shall bear the burden of proving that the accounting is not accurate and reasonable. The Hearing Body shall make such modifications in the accounting, as it deems necessary and thereafter shall confirm the accounting.
3. Notwithstanding the above, any hearing conducted pursuant to this Section shall be conducted pursuant to the process set forth in Section M of this Article. The decision of the Hearing Body is final. Nothing in this Section S shall be construed to prohibit combination of any hearing on accounting with any other hearing required or allowed by this Article, including an abatement hearing.
4. Failure to attend a properly noticed hearing shall constitute a waiver and the Hearing Body shall issue an order for costs, administrative penalties and fees as requested by the Enforcing Officer at the hearing. Failure to attend a properly noticed hearing shall also constitute failure to exhaust administrative remedies. (Ord. 2416, 7/26/16)

#### **T. Special Assessments and Lien**

The Board of Supervisors may order that the cost of abating nuisances pursuant to this Article and the administrative civil penalties as confirmed by the Board be placed upon the County tax roll by the County Auditor as special assessments against the respective parcels of land, or placed on the unsecured roll, pursuant to Section 25845 of the Government Code; provided, however, that the cost of abatement and administrative civil penalties as finally determined shall not be placed on the tax roll if paid in full prior to entry of said costs on the tax roll. The Board of Supervisors may also cause notices of abatement liens to be recorded against the respective parcels of real property pursuant to Section 25845 of the Government Code.

#### **U. Summary Abatement**

Notwithstanding any other provision of this Article, when any unlawful Cannabis Cultivation constitutes an immediate threat to the public health or safety, and where the procedures set forth in this Article would not result in abatement of that nuisance within a short enough time period to avoid that threat, the Enforcing Officer may direct any officer or employee of the County to summarily abate the nuisance as permitted by law. The Enforcing Officer shall make reasonable efforts to notify the persons identified in Section K of this Article but the formal notice and hearing procedures set forth in this Article shall not apply. The County may nevertheless recover its costs for abating that nuisance in the manner set forth in in this Article.

## **V. No Duty to Enforce**

Nothing in this Article shall be construed as imposing on the Enforcing Officer or the County of Nevada any duty to issue a Notice to Abate Unlawful Cannabis Cultivation, nor to abate any unlawful Cannabis Cultivation, nor to take any other action with regard to any unlawful Cannabis Cultivation, and neither the Enforcing Officer nor the County shall be held liable for failure to issue a Notice to Abate any unlawful Cannabis Cultivation, nor for failure to abate any unlawful Cannabis Cultivation, nor for failure to take any other action with regard to any unlawful Cannabis Cultivation.

## **W. Reporting of Violations**

Violation of this Article, including operating any Commercial Cannabis Activity without a valid and appropriate license from the State of California or permit from the County of Nevada, may result in permit revocation and/or denial of permit or denial of permit renewal. Any individual or entity found to be operating Commercial Cannabis Activities in violation of this Article, local permitting requirements, or without a valid and appropriate state license may be reported to the State of California licensing authorities, the district attorney's office, and any other local, state and/or federal enforcing and prosecuting agencies.

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## **Attachment B:**

**Administrative Development Permit (ADP)  
Application**

**Commercial Cannabis Permit (CCCP) Application**

**Canopy Guidance Document**

**Cannabis Permit Bond Fund**

# How do I apply for a Cannabis Administrative Development Permit (ADP)?

*(Cultivation canopies between 2,501sqft – 10,000sqft)*

- First, review through the Draft Nevada County Cannabis Cultivation Ordinance to ensure your project meets all requirements. You can view the Draft Ordinance online at <https://www.mynevadacounty.com/2185/Cannabis-Conversation>.
- Second, review the ADP Application Packet to ensure you have a complete permit submittal including all supplemental attachments and plans. Incomplete submittals will not be accepted. This packet is available online at <https://www.mynevadacounty.com/2185/Cannabis-Conversation> or in person at the Nevada County Community Development Agency (CDA) office.
- Third, schedule an application submittal appointment. You can schedule an appointment by calling (530) 265-1222 or in person at the CDA office starting at 8:00am on March 4, 2019. Appointments are scheduled on a first come, first serve basis. These appointments are for complete application submittals only. General questions and inquiries can be completed during normal Community Development Agency business hours.
- Fourth, submit your complete application, site plan, and associated documents for review. Be prepared to pay the required application submittal fees at this time.

## I have submitted my application. Now what?

- Your application and associated documents are anticipated to be reviewed within 30-45 days from the application submittal date.
- Within the anticipated 30-45 day review period, you will receive a letter stating that your application meets the requirements of the proposed draft ordinance OR you will receive an incomplete letter and be requested to submit revised documents to meet minimum requirements.
- If/when the draft ordinance is adopted and your application meets the requirements you will receive an approval letter, field set of plans/documents, conditions of approval, and pay any remaining fees (*if applicable*) at the CDA office. Please keep in mind during the pre-application period no permits will be issued until the draft ordinance is adopted by the Nevada County Board of Supervisors. During the pre-application review period staff will be reviewing your project based on the draft ordinance requirements as well as other County Ordinances. Applications submitted during the pre-application period are at the applicant's own risk as the draft ordinance is subject to change prior to adoption.
- Following approval of your ADP you will be contacted regarding the status and process to obtain your Annual Cannabis Permit (ACP). Once the ACP is obtained you will be required to schedule a pre-cultivation inspection within 30 days of issuance. An additional random cultivation inspection will be conducted by a Cannabis Compliance Officer at a later date during cultivation. Passing inspections are required to have a valid ACP and ADP.

Nevada County Community Development Agency (CDA)

950 Maidu Ave. Nevada City, CA 95959, Suite 170

(530) 265-1222

[ComDevAgency@co.nevada.ca.us](mailto:ComDevAgency@co.nevada.ca.us)



**NEVADA COUNTY COMMUNITY DEVELOPMENT AGENCY**  
**PLANNING DEPARTMENT**  
ERIC ROOD ADMINISTRATION BUILDING  
950 Maidu Avenue, Suite 170  
Nevada City, California 95959-8617  
(530) 265-1222 FAX (530) 265-9851

**APPLICATION PACKET**  
**CANNABIS ADMINISTRATIVE DEVELOPMENT PERMIT**

Pursuant to Sec. L-II 5.5.1 of Zoning Regulations, Administrative Development Permits (ADPs) provide an administrative review process for those smaller development projects that are consistent with Code standards. The Cannabis ADP review process is applicable and required for the following Commercial Cannabis operations:

- Commercial Cannabis Cultivation with a Canopy of 2,501 to 10,000 square feet.
- Commercial Cannabis Cultivation will only be permitted on parcels in the AG, AE, and FR zoning districts.
- Parcels of 10.00 acres up to 19.99 acres may have cannabis cultivation with up to 5,000 square feet of canopy.
- Parcels of 20.00 acres or greater may have a maximum of 10,000 square feet of canopy.
- Applications shall include all indoors, mixed-light and outdoor cultivation methods.
- Applications shall include all Cannabis Support Areas and Accessory Structures.

Projects that are authorized by an ADP must be determined to be in compliance with the County Land Use and Development Code, all applicable State laws, and ordinance requirements of any affected special districts. Administrative Development Permits are subject to Design Review by the Zoning Administrator unless specifically exempted from review by County Zoning Regulations. Please be aware that Administrative Development Permits are not transferrable or assignable to any other person, entity or property. The project must be denied if it is determined to be inconsistent with the Nevada County General Plan or does not comply with the provisions of all applicable County codes or other applicable laws.

Applications for an ADP must be filed in person in the Planning Department before 3:30 p.m. If all required application documents are attached and all forms completed, your application will be distributed to applicable agencies who will have 21 days to respond. Within 10 days of receiving agency comments, the Planning Department will determine if the application meets the required development standards by approving the project, approving it with conditions, or denying the application if not in conformance with applicable requirements. Prior to application submittal applicants are advised to contact all agencies which might have jurisdiction (County Departments of Public Works, Environmental Health, and the Building Department, Special Districts, Cal Trans, etc.) for conditions that may be incorporated within the project approval. ADP projects are subject to all relevant development fees at the time of construction, including those for roads, recreation and fire protection.

**COUNTY OF NEVADA****COMMUNITY DEVELOPMENT AGENCY**

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617

(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Brian Foss, Planning Director

**Nevada County Commercial Cannabis Application Information and ADP Checklist****Project Site Information****Site Address:****Site Assessor Parcel Number(s):****Property Zoning:****Cultivation Activities:**

|                                                     |                                                   |                                  |                                      |
|-----------------------------------------------------|---------------------------------------------------|----------------------------------|--------------------------------------|
| <input type="checkbox"/> AG - Agriculture           | Total Cannabis Canopy in Square Feet (sf):        |                                  |                                      |
| <input type="checkbox"/> AE - Agriculture Exclusive | Total Support Area in Square Feet (sf):           |                                  |                                      |
| <input type="checkbox"/> FR - Forest Resources      | # of Temporary Employees:                         | # of Fulltime Employees:         |                                      |
|                                                     | Cultivation Type: <input type="checkbox"/> Indoor | <input type="checkbox"/> Outdoor | <input type="checkbox"/> Mixed-Light |
|                                                     | Tax Identification Number:                        |                                  |                                      |

**Forms, Applications & Attachments (required)**

|                                                                                   |                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Land Use Application                                     | <input type="checkbox"/> Grant Deed                                                                                                                                                                                                                        |
| <input type="checkbox"/> Agreement to Pay Form                                    | <input type="checkbox"/> Identification (Driver's License, State ID, Passport, etc.)                                                                                                                                                                       |
| <input type="checkbox"/> Notarized Landlord Agreement                             | <input type="checkbox"/> Limited Liability Corporation (LLC) Information (members/positions, contact information, etc)                                                                                                                                     |
| <input type="checkbox"/> Cannabis Ordinance Questionnaire                         | <input type="checkbox"/> Current certificate(s) for weighing device(s) (Agricultural Commissioner's Office)                                                                                                                                                |
| <input type="checkbox"/> State License Application (if available)                 | <input type="checkbox"/> Light Control Plan                                                                                                                                                                                                                |
| <input type="checkbox"/> Copy of Bond (\$5,000 from licensed banking institution) | <input type="checkbox"/> Site Plan (8 Copies) and One Reduced Copy (8 ½ X 11)                                                                                                                                                                              |
| <input type="checkbox"/> Biological Resources Information (by applicant)          | <input type="checkbox"/> Regional Water Quality Control Permits (copies)                                                                                                                                                                                   |
| <input type="checkbox"/> Security Plan                                            | <input type="checkbox"/> Hazardous Waste Statement Form                                                                                                                                                                                                    |
| <input type="checkbox"/> Dust Control Plan/Information                            | <input type="checkbox"/> Site Photos and Site Plan Reduction Indicating Where Photos Were Taken                                                                                                                                                            |
| <input type="checkbox"/> Payment of Applicable Fees                               | <input type="checkbox"/> North Central Information Center (NCIC) - Cultural Resources Sensitivity Letter. Request mailed with payment; visit: <a href="http://www.csus.edu/hist/centers/ncic/permits.html">www.csus.edu/hist/centers/ncic/permits.html</a> |

**Land-Use Permit(s) for:**

|                                                     |                                                                                   |
|-----------------------------------------------------|-----------------------------------------------------------------------------------|
| <input type="checkbox"/> Primary Residence          | <input type="checkbox"/> Accessory Structure(s) (list):                           |
| <input type="checkbox"/> Septic System              | <input type="checkbox"/> Well Permit (or a will serve letter from water district) |
| <input type="checkbox"/> Electrical Service         | <input type="checkbox"/> Grading (Profile showing cut and fill)                   |
| <input type="checkbox"/> Additional Permits (list): |                                                                                   |

**Plans and Studies (provide if applicable)**

|                                                                       |                                                                                     |
|-----------------------------------------------------------------------|-------------------------------------------------------------------------------------|
| <input type="checkbox"/> Restoration Plan Via Habitat Management Plan | <input type="checkbox"/> Dead End Road/Secondary Access Mitigation Measures Plan    |
| <input type="checkbox"/> Parking Plan                                 | <input type="checkbox"/> Cultural Resources Report                                  |
| <input type="checkbox"/> 3-Acre Conversion/Timber Harvest Plan        | <input type="checkbox"/> Water Resources Protection Plan (WRPP) Via Management Plan |
| <input type="checkbox"/> Property Line Setback Easement               | <input type="checkbox"/> Pest Management Plan (Agricultural Commissioner Review)    |
|                                                                       | <input type="checkbox"/> Transition Plan (For resolving violations)                 |

| Fee's and Application Charges: |                                     |
|--------------------------------|-------------------------------------|
| <input type="checkbox"/>       | Application/Filing Fee (\$1,913.50) |

| Property Ownership and Resident Information                          |                                                                 |                                                                      |                                                                 |
|----------------------------------------------------------------------|-----------------------------------------------------------------|----------------------------------------------------------------------|-----------------------------------------------------------------|
| Property Owner:                                                      |                                                                 | Applicant/Agent:                                                     |                                                                 |
| Name:                                                                |                                                                 | Name:                                                                |                                                                 |
| Address:                                                             |                                                                 | Address:                                                             |                                                                 |
| City/State/Zip:                                                      |                                                                 | City/State/Zip:                                                      |                                                                 |
| Phone:                                                               | Fax:                                                            | Phone:                                                               | Fax:                                                            |
| e-mail:                                                              |                                                                 | e-mail:                                                              |                                                                 |
| Resident at Cannabis Cultivation                                     |                                                                 | Resident at Cannabis Cultivation                                     |                                                                 |
| Location?                                                            | <input type="checkbox"/> Yes <input type="checkbox"/> No        | Location?                                                            | <input type="checkbox"/> Yes <input type="checkbox"/> No        |
| Property Residents:                                                  |                                                                 | Property Residents:                                                  |                                                                 |
| Name:                                                                |                                                                 | Name:                                                                |                                                                 |
| Address:                                                             |                                                                 | Address:                                                             |                                                                 |
| City/State/Zip:                                                      |                                                                 | City/State/Zip:                                                      |                                                                 |
| Phone:                                                               |                                                                 | Phone:                                                               |                                                                 |
| e-mail:                                                              |                                                                 | e-mail:                                                              |                                                                 |
| <input type="checkbox"/> Owner                                       | <input type="checkbox"/> Renter <input type="checkbox"/> Family | <input type="checkbox"/> Owner                                       | <input type="checkbox"/> Renter <input type="checkbox"/> Family |
| Additional Individuals/Entities with Financial Interest              |                                                                 |                                                                      |                                                                 |
| Name:                                                                |                                                                 | Name:                                                                |                                                                 |
| Address:                                                             |                                                                 | Address:                                                             |                                                                 |
| City/State/Zip:                                                      |                                                                 | City/State/Zip:                                                      |                                                                 |
| Phone:                                                               |                                                                 | Phone:                                                               |                                                                 |
| e-mail:                                                              |                                                                 | e-mail:                                                              |                                                                 |
| Nature/Extent of Financial Interest:                                 |                                                                 | Nature/Extent of Financial Interest:                                 |                                                                 |
|                                                                      |                                                                 |                                                                      |                                                                 |
|                                                                      |                                                                 |                                                                      |                                                                 |
|                                                                      |                                                                 |                                                                      |                                                                 |
|                                                                      |                                                                 |                                                                      |                                                                 |
| Additional Parcels with Financial Interest in Businesses (list all): |                                                                 | Additional Parcels with Financial Interest in Businesses (list all): |                                                                 |
|                                                                      |                                                                 |                                                                      |                                                                 |
|                                                                      |                                                                 |                                                                      |                                                                 |

### Site Plan Requirements

**Site Plans:** The proposed project application must include a site plan. The entire property must be shown on the site plan (including all property lines and dimensions). If the property is too large, a smaller scale may be used; however, a second site plan will need to be provided of the area of development at a recognized scale. *Minimum sheet size 11"x17" minimum 8 sets.* Multiple site plans may be used to show all the required information/project elements. **One 8½" x 11" reduction of the site plan is required.**

#### General Information:

|                                                                                             |                                                                    |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| Project Description                                                                         | Assessor's Parcel Number (APN)                                     |
| Owner's Name, Phone #, Mailing Address                                                      | Total square feet of cultivation                                   |
| Parcel Zoning & Acreage                                                                     | North Arrow & Scale                                                |
| Show all structures (existing and proposed)                                                 | Statement of Compliance (Cannabis Ordinance)                       |
| Square Footage/Clear Use of Each Structure                                                  | Preparer's Name/Address/Signature                                  |
| Project Site Address                                                                        | Date of Preparation/Revision Dates                                 |
| Vicinity Map                                                                                | Architect/Engineer Name/Address (if applicable)                    |
| Contiguous Canopy Cultivation Area(s) Shown with Clear Dimensions and Square Footage Listed | Cannabis Support Areas with Clear Use(s) and Square Footage Listed |
| Impervious Surface Table                                                                    | All property line and sensitive area setbacks                      |

#### Identify all existing and proposed structures and ground-mounted equipment.

- Please note on the site plan if the existing structures were built with the benefit of a permit or were built prior to 1962. (AS-BUILT permits are required for structures that were not built with a permit after 1962 and do not qualify for an exemption per County Ordinance.)
- Location of all wells, water storage tanks, bodies of water, year round or seasonal watercourses, drainage ditches, NID ditches, agricultural/ irrigation lines, and 100 year flood plains. Include distance from the cultivation area to any well/water source. Water storage tanks used for fire prevention require a permit and Fire Dept. approval.
- Location of all utilities (above and underground sources & lines) including water, sewage, grease interceptors, electrical and phone lines. Include details for underground utilities prepared by the Civil Engineer of Record.
- Indicate location and layout of existing septic system. Include leach lines, septic and pump tanks, clean-outs, distribution system, and layout and location of the 100% repair area. Show setbacks to septic tanks and leach lines from the cultivation area.
- Indicate the location and surfacing of all existing conforming and/or permitted driveways and roadways.
- Identify all easements (PG&E, telephone, water (NID), road, driveway, "No Access", etc.).

#### Characterization of slope and topography:

- The characterization of slope in the cultivation area may be provided by the owner if the slope is less than 10% and a note is placed on the plans that the topography is depicted as per owner's representation.
- Contour intervals should be at a two (2') feet minimum and extend 50' feet beyond the proposed area of cultivation.
- If the slope in the area of cultivation exceeds 10%, provide a topographic survey prepared by a licensed Land Surveyor or Civil Engineer. If a professional survey is conducted, the surveyor or engineer must provide a wet stamp of certification on the site plan.

#### Boundary Line Verification: (When structures are within twice the setback distance)

- If property line boundary markers are not currently onsite the property lines shall be flagged by a licensed Land Surveyor or Civil Engineer authorized to practice land surveying. Prior to site inspection, a Boundary Line Verification Form (or the like) must be completed and submitted to CDA Staff or inspector. Clearly note this on the cover sheet of the plans.
- Indicate any grading activities being completed. Indicate disturbed area in square feet, amount of cut/fill and total amount of cubic yards. (A grading permit may be required based grading activity being completed per County Ordinance)
- Indicate location of any hazardous and/or flammable materials. Indicate the setback from hazardous materials to the cultivation site, structures, wells, water tanks, bodies of water, watercourses, drainage ditches, irrigation lines and 100-year floodplains.

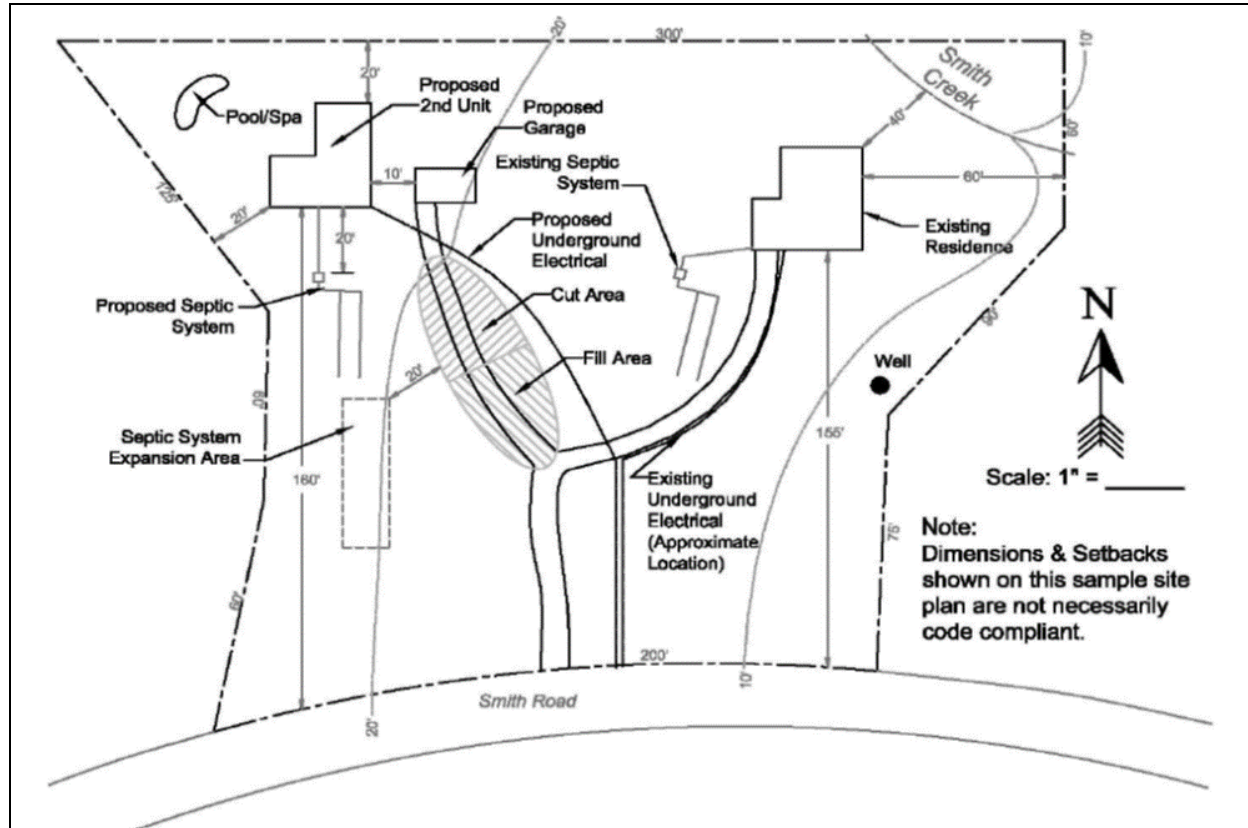
#### Cannabis Cultivation and Support Areas:

- Indicate total demarcated mature canopy square footage area and location of plants to be cultivated
- Indicate specific use(s), square footage, and location of cannabis support areas
- Indication if the cultivation is indoor, mixed-light, and/or outdoor

- Indicate setbacks from the cultivation/support area(s) to structures, driveways/roadways, property lines, and easements
- Indicate the setbacks from the cultivation/support area(s) to any school, school bus stop, school evacuation site, church, park, child care center, or Youth-Oriented Facility
- Provide a clear description how the cultivation area will be adequately screened from a public right-of-way or publicly traveled private road
- Location, construction, and height of solid fencing for all outdoor cultivation areas including locations of secured entry gates

### Sample Site Plan:

Additional information will need to be added showing all site plan submittal requirements including cultivation location(s), cultivation size, cultivation setbacks, security measures, screening measures, etc.



**NEVADA COUNTY PLANNING DEPARTMENT  
LAND USE APPLICATION**

*Please print or type in black ink*

*Type of application(s) for which you are applying:*

|                                                     |                                                 |                                                      |
|-----------------------------------------------------|-------------------------------------------------|------------------------------------------------------|
| <input type="checkbox"/> Tentative Map              | <input type="checkbox"/> Ordinance Amendment    | <input type="checkbox"/> Certificate of Compliance   |
| <input type="checkbox"/> Use Permit                 | <input type="checkbox"/> Zone Change            | <input type="checkbox"/> Voluntary Merger            |
| <input type="checkbox"/> Development Permit         | <input type="checkbox"/> General Plan Amendment | <input type="checkbox"/> Home Business               |
| <input type="checkbox"/> Administrative Dev. Permit | <input type="checkbox"/> Variance               | <input type="checkbox"/> Temporary Commercial Permit |
| <input type="checkbox"/> Boundary Line Adjustment   | <input type="checkbox"/> Setback Easement       | <input type="checkbox"/> Management Plan             |
| <input type="checkbox"/> Other (specify): _____     |                                                 |                                                      |

**PROJECT DESCRIPTION:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Assessor's Parcel No(s): \_\_\_\_\_

Applicant Name(s): \_\_\_\_\_

Applicant Mailing Address: \_\_\_\_\_

Telephone #: ( ) \_\_\_\_\_ E-Mail: \_\_\_\_\_ FAX#: \_\_\_\_\_

Property Owners Full Names: \_\_\_\_\_  
\_\_\_\_\_

Property Owner Mailing Address: \_\_\_\_\_

Telephone #: ( ) \_\_\_\_\_ E-Mail: \_\_\_\_\_ FAX#: \_\_\_\_\_

Name of Representative (if applicable): \_\_\_\_\_

Address of Representative: \_\_\_\_\_

Telephone #: ( ) \_\_\_\_\_ E-Mail: \_\_\_\_\_ FAX#: \_\_\_\_\_

Site address(es): \_\_\_\_\_ Acreage(s): \_\_\_\_\_

Water Source: \_\_\_\_\_ Method of Sewage Disposal: \_\_\_\_\_

\*\*\*\*\*

I hereby acknowledge that I have read the instructions for filing this application and state under penalty of perjury that the information provided on all attached documents is correct.

Signature of ( ) Property Owner(s) or ( ) Authorized Representative\*

\_\_\_\_\_ Date: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_

**\*Representative may sign application if a Letter of Authorization from the owner(s) is provided.**

## AGREEMENT TO PAY FORM

Nevada County Community Development Agency fees are based on Board of Supervisor approved fee schedules. Hourly fees and fees for services in excess of a minimum fee collected, including re-inspections, are billed to the applicant based on the Board approved fee schedule in effect at the time the work is performed by staff. This *Agreement To Pay Form* must be signed and original signatures submitted to the NCCDA along with the completed permit forms and the initial payment of fees. Copies of current fee schedules are available from our Customer Service Staff or on the web at <http://www.mynevadacounty.com>

I/We understand that the NCCDA will bill as services are rendered, and I/We agree to pay such billing within thirty (30) days of the mailing of such billing for the project/permit. If payments on outstanding invoices are not made within thirty (30) days after the date of the invoice, County staff may cease work on the project until the required payment is made, subject to any other provisions of the law. All fees must be paid prior to the granting of any permits, approvals, or any land use entitlement for which services are required. The collection of fees, however, does not guarantee the granting of any permits, approvals, or land use entitlements for which I/We are applying.

### Site Information:

**Invoices and/or notices to be mailed to:**

|                                               |            |
|-----------------------------------------------|------------|
| APN:<br>—         —                           | Name:      |
| Property Owner/Business Name (if applicable): | Address:   |
| Address:                                      | Telephone: |
| Email:                                        | Email:     |

☐ I would like to opt out of receiving County emails related to this project.

NCCDA Staff is authorized to consult with necessary governmental agencies concerning this project. They are also authorized to consult with the following individuals concerning my project:

*I certify under proof of perjury that I am the property owner or that I am authorized to enter into this fee agreement on his/her behalf. I have read the conditions concerning Nevada County Community Development Agency Fees and I understand that in the event that the billing party I have indicated does not pay required fees, I will be responsible for payment. I further agree to advise the department in writing should I no longer be associated with the above referenced project/property, rendering this agreement invalid as of the change of the date that the letter is received by the Nevada County Community Development Agency.*

\_\_\_\_\_  
Signature

Dated: \_\_\_\_\_ CDL# \_\_\_\_\_

\_\_\_\_\_ Tel #: \_\_\_\_\_  
Printed Name

**THIS SECTION FOR OFFICE USE ONLY**

Service: \_\_\_\_\_ Program: \_\_\_\_\_ Job No: \_\_\_\_\_

DPW #: \_\_\_\_\_ Project File #: \_\_\_\_\_ Billing Code: \_\_\_\_\_

Amount Collected: \$ \_\_\_\_\_ Receipt #: \_\_\_\_\_ Date of Receipt: \_\_\_\_\_

Service: \_\_\_\_\_ Program: \_\_\_\_\_ Job No: \_\_\_\_\_  
 DPW #: \_\_\_\_\_ Project File #: \_\_\_\_\_ Billing Code: \_\_\_\_\_  
 Amount Collected: \$ \_\_\_\_\_ Receipt #: \_\_\_\_\_ Date of Receipt: \_\_\_\_\_

## NEVADA COUNTY

### HAZARDOUS MATERIALS / WASTE STATEMENT

APN: \_\_\_\_\_ Property Owner: \_\_\_\_\_

**Hazardous sites:** General Plan policy requires the County pursue the cleanup of sites contaminated by mine waste or other hazardous materials prior to approving land use projects. Where hazardous waste or hazardous materials may occur on a project site, a Phase I site assessment may be required prior to processing or approving your project. Respond to the following questions and provide the requested information:

1. Is there evidence of any past, potentially hazardous use on or near the project site, including underground fuel storage tanks, dumpsites, artillery ranges, surface or subsurface mining activity?

☐ **Yes** Provide a Memo from the County Dept. of Environmental Health that adequate information is on file to accept the project for processing.

☐ **No** List the research and/or source of information justifying your response.

\_\_\_\_\_  
\_\_\_\_\_

**Hazardous use.** It is the applicant's responsibility to understand the definition of "hazardous material" and "hazardous waste," as defined in the California Health & Safety Code, Chapter 6.5. The storage of hazardous materials and the generation of hazardous waste are regulated under federal, state and county codes. The storage of hazardous materials in quantities equal to or greater than, a total weight of 500 pounds, or a total volume of 55 gallons, or 200 cubic feet at standard temperature and pressure for compressed gas; or the generating of hazardous wastes in any quantity, requires a permit from the Nevada County Department of Environmental Health.

2. Will hazardous materials be used, or will hazardous waste be generated from the facility resulting from this project? Check the appropriate response and provide the listed information.

☐ **Yes** A Hazardous Materials Inventory Statement (HMIS), obtained from the Department of Environmental Health, must be filed with this project application.

☐ **No** Explain why no hazardous materials are used for the proposed use or business:

\_\_\_\_\_  
\_\_\_\_\_

**COUNTY OF NEVADA****COMMUNITY DEVELOPMENT AGENCY**

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617

(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Brian Foss, Planning Director

**Application Materials and Instruction for issuance of a Commercial Cannabis Cultivation Permit from Nevada County.****Dear Cannabis Cultivation Applicant,**

Thank you for your interest in obtaining a Commercial Cannabis Cultivation permit. This series of documents has been created to assist you and the County in streamlining the permitting process. Please refer to the "Next Steps," below.

**Next Steps:**

- 1: Thoroughly complete the questions and check boxes in the tables below. This will help the County evaluate your project and ensure that all required environmental documentation and protection measures are included. Your project will need to comply with all applicable County Codes and ordinances, and state agencies requirements the Regional Water Quality Control Board (RWQCB) and California Department of Fish and Wildlife (CDFW), etc.
2. As you will see, there are a number of questions related to your project site, persons residing at the site, needed plans and studies, applicable fees, and detailed questions about the cultivation activities. When applicable, the tables provide web-site links and references to Agency web-sites. **Please note:** there are other forms and applications regarding agency processes and these may need to be processed depending on the characteristics of your project and resources on the project site. Please take the time to completely review the information within the table, and on the linked pages as if the information is omitted or not provided, it will delay the processing of your application.
3. After you have completed the application, you may schedule a time with County staff to submit your application. County staff will review your application for completeness and any additional needed materials or clarifications will be discussed at that time. The more thorough and complete the information you provide for the review, the more promptly the County will be able to begin processing your project.
4. If additional studies or documentation is needed, you will be given the time you need to provide that information or coordinate with specialists or experts in those fields to have those steps completed. Once all application materials are completed, another appointment can be made with County staff to submit the application.
5. Once the application is satisfactorily complete, County staff will refer your project to a planner who will begin the process of distributing the application to the appropriate departments and agencies, and completing the review of the project.
6. Within 30-45 days, the Planning Department will notify you if the application meets the requirements of the proposed ordinance or if the application is incomplete and additional information is required.

Sincerely,  
Nevada County Community Development Agency

## Nevada County Cannabis Ordinance Questionnaire

### Instructions:

The following table lists circumstances under which project elements must be included and shown on the site-plan and within the project description (Cultivation Plan). In some instances, the table will reference sections and titles of the Nevada County Development Code, State Codes, and California resource Agency website and documents such as the Regional Water Quality Control Boards (RWQCB) or California Department of Fish and Wildlife (CDFW) that prescribes certain development standards and permitting requirements. This will include but not be limited to electrical standards, plumbing code, fire code, etc. In some locations lines are provided to explain how your cultivation project would be in conformance with the requirements.

Some sections will only require checking the “yes/no” box. Because projects are diverse, some questions will not apply to you project. In these instances, you can write in “not applicable,” or “N/A”. It is important that all the information you provide is included on the Site Plan, the Cultivation Plan, or sometimes both.

This information must be provided with submittal of an Administrative Development Permit (ADP) and maintained and updated as needed for the first and continued issuance of the Annual Permit. To assist in the process:

- Please use this table to ensure your project is consistent with Nevada County zoning ordinance requirements, building codes and standards, and other State Agency policy documents and standards.
- Please provide thorough and complete information describing how your project will be consistent with the Nevada County Cannabis Ordinance, Nevada County General Plan, and other land use planning documents. This will help streamline the permitting process.
- Please refer to referenced sections of the Land Use Development Code to ensure that all conditions are satisfied. When needed, additional forms, related applications, descriptions of project elements, may be included as attachments to this form.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                              |                                                                                                                                                    |                                                             |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <b>Sensitive Sites:</b> The edge of the cannabis canopy and/or support areas must be at least 1,000 feet from any Sensitive Sites. Verify below the distance is 1,000 feet or greater, or provide the distance in the spaces below, and check the box for variance required and include in the application package for parks ONLY:                                                                                                                     |                              |                                                                                                                                                    |                                                             |
| Is the Cultivation Canopy greater than 1,000 feet from:                                                                                                                                                                                                                                                                                                                                                                                                |                              |                                                                                                                                                    |                                                             |
| School                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <input type="checkbox"/> Yes | <input type="checkbox"/> No, distance _____ ft.                                                                                                    |                                                             |
| School evacuation site                                                                                                                                                                                                                                                                                                                                                                                                                                 | <input type="checkbox"/> Yes | <input type="checkbox"/> No, distance _____ ft.                                                                                                    |                                                             |
| School Bus top                                                                                                                                                                                                                                                                                                                                                                                                                                         | <input type="checkbox"/> Yes | <input type="checkbox"/> No, distance _____ ft.                                                                                                    |                                                             |
| Child Care Center                                                                                                                                                                                                                                                                                                                                                                                                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No, distance _____ ft.                                                                                                    |                                                             |
| Youth-Oriented Facility                                                                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> Yes | <input type="checkbox"/> No, distance _____ ft.                                                                                                    |                                                             |
| Church (place of worship)                                                                                                                                                                                                                                                                                                                                                                                                                              | <input type="checkbox"/> Yes | <input type="checkbox"/> No, distance _____ ft.                                                                                                    |                                                             |
| Park                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No, distance _____ ft.                                                                                                    |                                                             |
| Variance required?                                                                                                                                                                                                                                                                                                                                                                                                                                     | <input type="checkbox"/> Yes | <input type="checkbox"/> No                                                                                                                        |                                                             |
| * If the edge of the canopy is less than 1,000 feet from any park, a variance will be required.                                                                                                                                                                                                                                                                                                                                                        |                              |                                                                                                                                                    |                                                             |
| <b>Setbacks:</b> All cannabis cultivation areas are required to be set back at least 100 feet from the edge of the cannabis canopy to the property line. List the setback distance in each direction below.                                                                                                                                                                                                                                            |                              |                                                                                                                                                    |                                                             |
| North _____ ft.                                                                                                                                                                                                                                                                                                                                                                                                                                        | East _____ ft.               | South _____ ft.                                                                                                                                    | West _____ ft.                                              |
| If the distance is less than 100 feet, list the direction, the distance and setback easement information.                                                                                                                                                                                                                                                                                                                                              |                              |                                                                                                                                                    |                                                             |
| <b>Visual Project Elements:</b>                                                                                                                                                                                                                                                                                                                                                                                                                        |                              |                                                                                                                                                    |                                                             |
| List all public rights-of-way, publicly travelled roadway, or publicly traveled private roads and confirm all cultivation activities will not be visible from these locations. If applicable, list and described all measures, which are or will be used as a visual screen. Provide a timeline for installation of all visual screening materials or provide a plan of how views of cannabis cultivation activities will be blocked from public view. |                              |                                                                                                                                                    |                                                             |
| Adjacent Roadways/Highways: _____, _____, _____                                                                                                                                                                                                                                                                                                                                                                                                        |                              |                                                                                                                                                    |                                                             |
| Visual Screening Measures: _____, _____, _____                                                                                                                                                                                                                                                                                                                                                                                                         |                              |                                                                                                                                                    |                                                             |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No  | Cannabis activities are not visible from any public-right-of-way, publicly travelled roadway, or publically traveled private road.                 |                                                             |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No  | 2. Illumination of cultivation areas conform to lighting requirements of Section L-II 4.2.8 – Lighting of the Land Use and Development Code.       |                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                              | Other Requirements:                                                                                                                                |                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                              | <input type="checkbox"/> Lighting is Fully Shielded and Directed Downward                                                                          | <input type="checkbox"/> 15' foot maximum light pole height |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No  | The project site is located less than 0.25 miles from a scenic highway?                                                                            |                                                             |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No  | The project would block or obstruct views of a scenic resource?                                                                                    |                                                             |
| <b>Agricultural Resources:</b> Indicate the value of existing agricultural resources and land use consistency.                                                                                                                                                                                                                                                                                                                                         |                              |                                                                                                                                                    |                                                             |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No  | The proposed cultivation area or proposed structures would be located on Prime Farmland, Farmland of Statewide importance, and/or Unique Farmland? |                                                             |
| If yes, a management plan application is required.                                                                                                                                                                                                                                                                                                                                                                                                     |                              |                                                                                                                                                    |                                                             |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No  | The proposed cultivation area or proposed structures would conflict with a Williamson Act Contract?                                                |                                                             |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No  | The proposed project would require removal of timber resources? Or, an unpermitted previous timber harvest has occurred on the project site?       |                                                             |
| If yes, provide a Less-Than-Three-Acre Timber Conversion completed by a registered professional forester (RPF). Completed: _____                                                                                                                                                                                                                                                                                                                       |                              |                                                                                                                                                    |                                                             |

| Air Quality: Indicate the proposed construction and work activities that may result in air emissions and odors.                                                                                                                                                                                                        |                             |                                                                                                                                                                                                   |                                                                                                                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Creation of Dust and Debris will be limited in conformance with Section G-IV 4.56 Dust and Debris (Refer to Hydrology and Water Quality below regarding requirements to obtain a grading permit): |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Will gasoline or diesel-powered equipment be used as part of the cultivation operations and how many hours per day or week it will be used.                                                       |                                                                                                                                                        |
|                                                                                                                                                                                                                                                                                                                        |                             | _____, _____ hrs. per day/week                                                                                                                                                                    | _____, _____ hrs. per day/week                                                                                                                         |
|                                                                                                                                                                                                                                                                                                                        |                             | _____, _____ hrs. per day/week                                                                                                                                                                    | _____, _____ hrs. per day/week                                                                                                                         |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | The project includes measures that will be included to reduce odor.                                                                                                                               | Odor reduction measures:<br>_____<br>_____<br>_____                                                                                                    |
| Biological Resources: Indicate the biological resources that may be located on the site, and measures needed to reduce effects.                                                                                                                                                                                        |                             |                                                                                                                                                                                                   |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Does the project site contain any biological resources?                                                                                                                                           |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | If yes, is a Management Plan prepared by a Nevada County Pre-Qualified Biological Consultant included with this application?                                                                      |                                                                                                                                                        |
| Hazardous Materials: Indicate the what potentially hazardous materials, those material that are flammable, explosive, reactive, corrosive or toxic, such as fuels, lubricants, and solvents for machinery and equipment, and pesticides and fertilizers will be used for cultivation purposes.                         |                             |                                                                                                                                                                                                   |                                                                                                                                                        |
| Provide a description of the use, handling, and storage of all potentially hazardous materials in compliance with applicable county codes. Review the requirements for submission of a Hazardous Materials Business Plan, which can be found here: <a href="http://www.caloes.ca.gov/">http://www.caloes.ca.gov/</a> . |                             |                                                                                                                                                                                                   |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Completed: _____                                                                                                                                                                                  | My project will require a Hazardous Materials Business Plan HMBP. (if yes, attach the HMBP to this application form, if no complete the fields below), |
| Use of Fuels and Solvents: _____                                                                                                                                                                                                                                                                                       |                             |                                                                                                                                                                                                   |                                                                                                                                                        |
| Use of Pesticides and Fertilizers: _____                                                                                                                                                                                                                                                                               |                             |                                                                                                                                                                                                   |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Pesticides applied according to state law. Operator ID issued by the County Ag Commissioner.                                                                                                      |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | <input type="checkbox"/> N/A (explain):                                                                                                                                                           | Material Safety Data Sheets provided:                                                                                                                  |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Location of Storage Site and Secondary containment Describe:<br>_____                                                                                                                             |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Storage of Hazardous Materials limited to: Liquid (55 gallons):                                                                                                                                   |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Solid (500 pounds)                                                                                                                                                                                |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Compressed Gas (200 cubic feet)                                                                                                                                                                   |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Setbacks: Hazardous Materials 100 feet from Private Drinking water well, spring, water canal, creek or other surface water body:                                                                  |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | 200 feet from any public water supply well:                                                                                                                                                       |                                                                                                                                                        |
| <input type="checkbox"/> Yes                                                                                                                                                                                                                                                                                           | <input type="checkbox"/> No | Is any of the project area in a flood zone?                                                                                                                                                       |                                                                                                                                                        |
| If yes, list the area of the project and any structures within that may be subject to the effects of flooding<br>_____                                                                                                                                                                                                 |                             |                                                                                                                                                                                                   |                                                                                                                                                        |

|                                                                                                                                                                                                                              |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Noise: Indicate construction and operational project elements that could produce noise that exceeds standards.</b>                                                                                                        |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| <input type="checkbox"/> Yes                                                                                                                                                                                                 | <input type="checkbox"/> No                                 | Construction and operation of the project would use machinery that will create noise (List below).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                            |
|                                                                                                                                                                                                                              |                                                             | ____,greenhouse fans,_____,_____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                            |
| <input type="checkbox"/> Yes                                                                                                                                                                                                 | <input type="checkbox"/> No                                 | The operation plan includes measures that would reduce noise (list below).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                            |
|                                                                                                                                                                                                                              |                                                             | Fan baffles, etc. Operational time limits 7:00 a.m. to 7:00 p.m.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                            |
| <b>Utilities and Public Services: Provide details regarding the use of electricity for cultivation activities.</b>                                                                                                           |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| Project conforms to the California Electrical Code adopted by Section L-V 12.0 of the Nevada County Code?                                                                                                                    |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| <input type="checkbox"/> Yes                                                                                                                                                                                                 | <input type="checkbox"/> No                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| Electrical Permits issued?                                                                                                                                                                                                   | <input type="checkbox"/> Yes<br><input type="checkbox"/> No | Electricity Provider Pacific Gas and Electric (PG&E) or permitted alternative source: <input type="checkbox"/> Solar                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                            |
| Electrical Service Verification?                                                                                                                                                                                             | <input type="checkbox"/> Yes<br><input type="checkbox"/> No | <input type="checkbox"/> Other: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                            |
| Provide information how non-hazardous waste materials, including organic wastes, will be handled and disposed of? If composting will be used, show location(s) on site plan.                                                 |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| Waste Hauler: _____                                                                                                                                                                                                          |                                                             | Composting: <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                            |
| <b>Water Quality:</b>                                                                                                                                                                                                        |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| The proposed project is located in:                                                                                                                                                                                          |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| <input type="checkbox"/> Central Valley Regional Water Quality Control Board (CVRWQCB)                                                                                                                                       |                                                             | <input type="checkbox"/> Lahontan Regional Water Quality Control Board (LRWQCB)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| <input type="checkbox"/> Yes                                                                                                                                                                                                 | <input type="checkbox"/> No                                 | The applicant has completed the Notice of Intent (NOI) to enroll as a <input type="checkbox"/> Tier 1, <input type="checkbox"/> Tier 2, or <input type="checkbox"/> Tier 3 Discharger in accordance with (CVRWQCB) <sup>1</sup><br><a href="https://www.waterboards.ca.gov/centralvalley/water_issues/cannabis/general_order/r5-2015-0113_att_b.pdf">https://www.waterboards.ca.gov/centralvalley/water_issues/cannabis/general_order/r5-2015-0113_att_b.pdf</a> , or with the LRWQCB <sup>2</sup> in accordance with<br><a href="https://www.waterboards.ca.gov/centralcoast/water_issues/programs/cannabis_cultivation/docs/fags_cannabis_general_order.pdf">https://www.waterboards.ca.gov/centralcoast/water_issues/programs/cannabis_cultivation/docs/fags_cannabis_general_order.pdf</a> . The permit has been issued WDID# _____ |                                                                                                                                                                                            |
| <input type="checkbox"/> Yes                                                                                                                                                                                                 | <input type="checkbox"/> No                                 | The applicant applied for all other permits listed as part of the NOI including (check if applicable):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                            |
|                                                                                                                                                                                                                              |                                                             | <input type="checkbox"/> Army Corps of Engineers Section 404 Permit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <input type="checkbox"/> California Department of Fish and Wildlife 1602 Streambed Alteration Agreement.                                                                                   |
|                                                                                                                                                                                                                              |                                                             | <input type="checkbox"/> State Water Resources Control Board Construction General Permit No. 2009-0009-DWQ                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                            |
|                                                                                                                                                                                                                              |                                                             | <input type="checkbox"/> Timber Conversion Permit (see Agricultural Resources above).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <input type="checkbox"/> A Local Grading Permit (see Section 5, Environmental Compliance Assessment for New or Expanded Growers) listed in the NOI required Water Quality Permits section. |
| <input type="checkbox"/> Yes                                                                                                                                                                                                 | <input type="checkbox"/> No                                 | The applicant has been issued WDID# _____, Or, expected date of issuance: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| <input type="checkbox"/> Yes                                                                                                                                                                                                 | <input type="checkbox"/> No                                 | A Water Resources Protection Plan (WRPP) has been developed for the project site?, Or the WRPP is expected to be completed by: _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                            |
| <b>Water Supply: Indicate the water source(es) that are proposed to be used be used for cultivation purposes and provide the information in the blanks as requested. If the information is not applicable, write, "N/A."</b> |                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                            |
| <input type="checkbox"/> Yes                                                                                                                                                                                                 | <input type="checkbox"/> No                                 | Well(s): refer to Chapter X: Water Supply and Resources Article 2 Water Wells (Section L-X 2.1 through Section L-X 2.29) of the Land Use and Development Code for additional information or definitions terms if needed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                            |
| Well Permit #*:                                                                                                                                                                                                              | Well Completion Log:                                        | Estimated gallons per minute (gpm):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Hydrologic Connectivity Determination:                                                                                                                                                     |
| _____                                                                                                                                                                                                                        | _____                                                       | _____                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                            |

|                                                                                                                                                                 |                                            |                                                |                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|------------------------------------------------|------------------------------------------|
|                                                                                                                                                                 |                                            |                                                |                                          |
| For all new well application(s) that are in process; have you provided a copy of the complete well application forms and documentation submitted to the County? |                                            |                                                |                                          |
| <input type="checkbox"/> Yes                                                                                                                                    | <input type="checkbox"/> No                |                                                |                                          |
| Water Diversion(s): Is the water source proposed to be used for cultivation sourced from a spring or stream?                                                    |                                            |                                                |                                          |
| <input type="checkbox"/> Yes                                                                                                                                    | <input type="checkbox"/> No                | If yes, circle one: Spring _____; Stream _____ |                                          |
| <b>Public Water Source:</b> Is the water source a municipal or other public source?                                                                             |                                            |                                                |                                          |
| <input type="checkbox"/> Yes                                                                                                                                    | <input type="checkbox"/> No                |                                                |                                          |
| Has a will serve letter been provided?                                                                                                                          |                                            |                                                |                                          |
| <input type="checkbox"/> Yes                                                                                                                                    | <input type="checkbox"/> No                |                                                |                                          |
| <b>Security Plan includes the following measures:</b>                                                                                                           |                                            |                                                |                                          |
| <input type="checkbox"/> Fencing<br>Type: _____<br>Height: _____                                                                                                | <input type="checkbox"/> Locked Facilities | <input type="checkbox"/> Video Monitoring      | <input type="checkbox"/> Other Measures: |
| <input type="checkbox"/> Gated Access                                                                                                                           | <input type="checkbox"/> Security Company  | <input type="checkbox"/> Lighting              |                                          |

### **REVIEW AND INITIAL ALL OF THE FOLLOWING:**

**Initial:**

- \_\_\_\_\_ I certify that the project parcel is in full compliance with all regulations shown in the County's Commercial Cannabis Ordinance.
- \_\_\_\_\_ I recognize that this Administrative Development Permit for commercial cannabis only remains active with a finalized and current Annual Cannabis Permit (ACP).
- \_\_\_\_\_ I recognize that this permit may be revoked at any time at the discretion of the Community Development Agency Director or their designee.
- \_\_\_\_\_ I recognize that all aspects not in compliance with the Nevada County Municipal Codes on the parcel that qualify for the transition period shall be in full compliance within two years from this permit application date.
- \_\_\_\_\_ I hereby authorize the County of Nevada Community Development Agency employees and/or any other appropriate County or State Agency or local districts to enter the property to conduct site inspections and investigations as set forth in this permit that may be issued on the basis of this application. I further agree to pay any fee for such inspection or investigation that occurs on the subject property.
- \_\_\_\_\_ I understand that the use of the primary residence well water supply for any cannabis related activities could impair the amount of water supplied to the residence for living purposes. The County of Nevada is not responsible for any reduction in water availability to the applicant's residence as a result of use for other than residential living purposes.

### **APPLICANT'S DECLARATION**

By my signature below, I certify that I am the property owner or authorized to act on the property owner's behalf. I have read this permit application and the information I have provided is true and correct. I agree to comply with all applicable County ordinances and State laws.

Signature: \_\_\_\_\_

Print: \_\_\_\_\_

Date: \_\_\_\_\_



**COUNTY OF NEVADA  
COMMUNITY DEVELOPMENT AGENCY  
Cannabis Compliance Division**

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617  
(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Craig Griesbach, Director

**COMMERCIAL CANNABIS PERMIT SECURITY/OPERATION PLAN CHECKLIST**

**THE FOLLOWING ITEMS ARE REQUIRED FOR A COMPLETE APPLICATION SUBMITTAL OF A SECURITY PLAN.  
INCOMPLETE SUBMITTALS WILL NOT BE ACCEPTED; PLEASE READ CAREFULLY!**

**EIGHT (8) SETS OF SECURITY PLANS ARE REQUIRED TO BE SUBMITTED**

|  |                                                                                                                                                                                                                                                                                                                                                                                                              |
|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>Perimeter Security:</b> Provide a complete and clear description of perimeter security components including fencing, gates, locking hardware, doors, component heights, etc.                                                                                                                                                                                                                              |
|  | <b>Cultivation Area Screening:</b> Indicate how the cultivation area will be screened from the public-right-of way or publicly traveled private roads. Indicate materials used, construction, etc.                                                                                                                                                                                                           |
|  | <b>Hazardous Materials:</b> Include an itemized list showing the amount and type of hazardous and/or flammable materials used onsite. Include information regarding locations of storage and use areas.                                                                                                                                                                                                      |
|  | <b>Access:</b> Indicate how the cultivation area and all habitable structures are accessed by emergency personnel. Indicate the widths and lengths of driveways and locations of access gates.                                                                                                                                                                                                               |
|  | <b>Exterior Noise:</b> Indicate how exterior noise will be limited in accordance with the Nevada County Zoning Ordinance applicable to the Land Use Category and Zoning District where cultivation activities will occur. ( <i>Nevada County Land-Use and Development Code L-II 4.1.7</i> )                                                                                                                  |
|  | <b>Building Security:</b> Specify any building safety and security components associated to access to buildings, door docking hardware, wall construction, exterior wall opening access points, etc.                                                                                                                                                                                                         |
|  | <b>Exterior Lighting:</b> Indicate the type and location of any exterior lighting installed at cultivation areas as a deterrent for trespassing. Indicate placement of lighting associated to placement of security/surveillance systems. Indicate lighting installed will be downcast and full shielded as to not create light pollution. ( <i>Nevada County Land-Use and Development Code L-II 4.2.8</i> ) |
|  | <b>Surveillance:</b> Indicate any types of video surveillance systems or alarm systems installed. Indicate placement locations and types of cameras, alarms, etc.                                                                                                                                                                                                                                            |
|  | <b>Onsite Presence:</b> Indicate how the cultivation area will be monitored by onsite personnel. Specify the frequency and location of persons' onsite overseeing cultivation activities. Indicate types of safety and security training provided to onsite personnel.                                                                                                                                       |
|  | <b>Security of Valuables:</b> Indicate the approach to keeping currency and valuables that are located onsite in a secure and safe location.                                                                                                                                                                                                                                                                 |
|  | <b>Operation Plan:</b> Types of activities conducted onsite, specific uses/business activities in each applicable structure, number and type of employees, hours of operation, equipment operation onsite, number of anticipated vehicle trips per day, and any other activity applicable to the commercial operation onsite.                                                                                |



## COUNTY OF NEVADA COMMUNITY DEVELOPMENT AGENCY

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617  
(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Sean Powers, Agency Director

Agricultural Commissioner

Building

Code Compliance

Environmental Health

Farm Advisor

Planning

Public Works

### ADMINISTRATIVE DEVELOPMENT CANNABIS PERMIT AGENT AUTHORIZATION LETTER

IF YOU ARE NOT THE PROPERTY OWNER....

But are a representative for the property owner, and you are not on the Grant Deed as the legal owner, you are required to provide a **notarized letter** of authorization to the County of Nevada at time of submittal of your Administrative Development Cannabis Permit Application. Please fill out the following form and have this document signed by the appropriate person(s), notarized, and returned to the County of Nevada Community Development Agency (CDA).

#### AUTHORIZATION

I, \_\_\_\_\_ owner(s) of property located at, \_\_\_\_\_,  
\_\_\_\_\_.

Assessors Parcel Number (APN) \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_, do hereby authorize:

\_\_\_\_\_  
(Authorized Person)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(City, State & Zip Code)

\_\_\_\_\_  
(Telephone Number)

To act as my agent/representative in obtaining a Administrative Development Cannabis Permit from the County of Nevada Community Development Agency (CDA) for commercial cannabis cultivation activities conducted at the above address. I authorize commercial cannabis operations to be completed on the subject property and I am aware that the commercial cannabis operations will occur on my property.

**Description of Project:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Property Owner

*It is unlawful to alter the substance of any official form or document of Nevada County*



**COUNTY OF NEVADA  
COMMUNITY DEVELOPMENT AGENCY**

Sean Powers, Director

**ENVIRONMENTAL HEALTH DEPARTMENT**  
Amy Irani, REHS, Director

950 MAIDU AVENUE, SUITE #170  
NEVADA CITY, CA 95959

PH: (530) 265-1222  
FAX: (530) 265-9853

[Env.Health@co.nevada.ca.us](mailto:Env.Health@co.nevada.ca.us)

<http://mynevadacounty.com>

## **COMMERCIAL CANNABIS CULTIVATION APPLICATION PACKET FOR TEMPORARY PORTABLE RESTROOM USE**

**THIS APPLICATION APPLIES TO OPERATIONS WITH 2-5 EMPLOYEES ONLY FOR TWO (2) HARVEST SEASONS PER YEAR. OPERATIONS WITH 6 + EMPLOYEES MUST APPLY FOR THE INSTALLATION OF A PERMANENT RESTROOM FACILITY UPON THE BUSINESS PROPERTY.**

The proper maintenance, monitoring and commercial contractual agreement for the temporary portable restroom is important for use approval. It assures that you will meet all structural and operational requirements of the applicable State Health Laws, and at the same time, meet the objective of protecting the public health and welfare as well as the environment.

### **Application Submittal Requirements:**

1. **Application Cover Sheet. (Page 2)** This is the only page from this packet that is required to be completed and submitted to the Environmental Health Department. All other pages are to act as guidelines or templates for submittal requirements. Portable Toilet must meet all ADA requirements per State and Local Laws.
2. **COMPLETE SITE PLAN to include the following:**
  - a. Location of the portable toilet facility and portable hand washing station. Portable toilet shall be installed to prevent spillage, or collapse of the unit.
  - b. Plans shall be easily readable and drawn to scale. *Recommended scale of 1/4"=1' and shall include residential well, septic tank and disposal field locations.*
3. **COMPLETE AND SIGNED AGREEMENT WITH A LICENSED, COMMERCIAL PORTABLE TOILET BUSINESS.** Agreement shall include:
  - a. Weekly service agreement for the maintenance and sanitation of the portable toilet and hand washing station.
  - b. Delivery for Summer Harvest (June – August) and Fall Harvest (October – November). After each harvest time frame, the portable toilet and hand washing station will be removed from the property. The contractual agreement shall specify this requirement.
  - c. Portable hand washing station supplied with water, soap and paper towels.



**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
Sean Powers, Director

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**ENVIRONMENTAL HEALTH DEPARTMENT**  
Amy Irani, REHS, Director

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Env.Health@co.nevada.ca.us

http://mynevadacounty.com

## COMMERCIAL CANNABIS CULTIVATION PORTABLE TOILET USE APPLICATION

Buisness/Facility Name: \_\_\_\_\_ APN: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Site Address: (street, city, zip) \_\_\_\_\_

Residence Water Source: ☐ Private Well ☐ Public Water - Agency: \_\_\_\_\_

Residence Sewage Disposal: ☐ Private Septic ☐ Public Sewer: \_\_\_\_\_

Owner Name: \_\_\_\_\_

Email: \_\_\_\_\_ Phone No. \_\_\_\_\_

Mailing Address: (street, city, zip) \_\_\_\_\_

Building Permit No: \_\_\_\_\_

**Please check the following that apply and include in your Plan Check Submittal:**

- ☐ Submit a detailed plan drawn to scale.
- ☐ This Business will be harvesting two (2) times per year
  - ☐ June – August
  - ☐ October - November
- ☐ This Business has 2-5 employees.
- ☐ Contract with licensed, commercial portable toilet company is enclosed
- ☐ Contract with licensed, commercial portable toilet company includes hand washing station and weekly maintenance agreement.

**\*\*\*APPROVAL OF PERMIT VALID FOR ONE YEAR FROM DATE OF APPROVAL\*\*\***

*I have read the above "checklist" and ALL items checked are completed or marked not applicable. Further, I recognize that an incomplete or inaccurate permit application will result in delaying the processing and issuing of my permit and may incur additional fees at the current hourly rate above the initial deposit. I also agree to and understand that the approval of this permit is valid for one year from the approval date, and I agree to apply annually to renew this permit with the applicable fees.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name and Title (if any)

\_\_\_\_\_  
Date

**OFFICE USE ONLY**

☐ Approved ☐ Denied, Reason: \_\_\_\_\_

By: \_\_\_\_\_, REHS

Date: \_\_\_\_\_

# CANNABIS

PESTICIDES THAT ARE **LEGAL** TO USE



**Protecting workers, the public, and the environment from adverse effects of pesticide use in cannabis cultivation is critical to the mission of the California Department of Pesticide Regulation (DPR).** DPR and the County Agricultural Commissioners (CAC) enforce the use and sale of pesticides under Divisions 6 and 7 of the California Food and Agricultural Code (FAC), and Title 3 of the California Code of Regulations (CCR). These laws and regulations apply to all pesticide use; cannabis is no exception.

All pesticide product labels include a warning statement, precautionary statements for protecting human and environmental health, storage and disposal statements, and directions for use. By law, all pesticide users must follow these statements.

When using pesticide products in cannabis cultivation, applicators must not use a rate that is higher than the rates listed on the label and follow the agricultural use requirements including method of application, restricted entry interval, personal protective equipment, and pre-harvest interval.

Some pesticide products are never allowed in cannabis cultivation under any circumstances (see DPR's document: [Pesticides that Cannot be Used on Cannabis](#)).

---

## Always read the label prior to using any pesticide.

---

### PRODUCTS THAT CAN BE LEGALLY APPLIED TO CANNABIS IN CALIFORNIA

A pesticide product can legally be applied to cannabis under state law if the active ingredients found in the product are exempt from residue tolerance requirements and the product is either exempt from registration requirements or registered for a use that is broad enough to include use on cannabis.

Residue tolerance requirements are set by U.S. EPA for each pesticide on each food crop and are the amount of pesticide residue allowed to remain in or on each treated crop with "reasonable certainty of no harm." Some pesticides are exempt from the tolerance requirement when they are found to be minimal risk.

Active ingredients exempt from registration requirements are mostly food-grade essential oils such as peppermint oil or rosemary oil.

Cannabis cultivators who are licensed by the California Department of Food and Agriculture are required to comply with pesticide laws and regulations as enforced by DPR and the CAC's.

For more information:  
[www.cdpr.ca.gov/cannabis](http://www.cdpr.ca.gov/cannabis)

# PESTICIDES THAT ARE **LEGAL** TO USE ON CANNABIS

The following are examples of pesticide active ingredients that are exempt from tolerance requirements and either exempt from registration requirements or have labels broad enough to include use on cannabis. This is not an exhaustive list of active ingredients that may fit the legal use criteria. The active ingredients are organized by the intended target.

## Insecticides and Miticides

- Azadirachtin
- *Bacillus thuringiensis* sub. *kurstaki*
- *Bacillus thuringiensis* sub. *israelensis*
- *Beauveria bassiana*
- *Burkholderia* spp. strain A396
- Capsaicin
- Cinnamon and cinnamon oil
- Citric acid
- Garlic and garlic oil
- Geraniol
- Horticultural oils (petroleum oil)
- Insecticidal soaps (potassium salts of fatty acids)
- Iron phosphate
- *Isaria fumosorosea*
- Neem oil
- Potassium bicarbonate
- Potassium sorbate
- Rosemary oil
- Sesame and sesame oil
- Sodium bicarbonate
- Soybean oil
- Sulfur
- Thyme oil

## Fungicides and Antimicrobials

- *Bacillus amyloliquefaciens* strain D747
- Cloves and clove oil
- Corn oil
- Cottonseed oil
- *Gliocladium virens*
- Neem oil
- Peppermint and peppermint oil
- Potassium bicarbonate
- Potassium silicate
- Rosemary and rosemary oil
- Sodium bicarbonate
- *Reynoutria sachalinensis* extract
- *Trichoderma harzianum*

## Vertebrate Repellants

- Castor oil
- Geraniol

# CANNABIS

## PESTICIDES THAT **CANNOT** BE USED



**Protecting workers, the public, and the environment from adverse effects of pesticide use in cannabis cultivation is critical to the mission of the California Department of Pesticide Regulation (DPR).** DPR and the County Agricultural Commissioners (CAC) enforce the use and sale of pesticides under Divisions 6 and 7 of the California Food and Agricultural Code (FAC), and Title 3 of the California Code of Regulations (CCR). These laws and regulations apply to all pesticide use; cannabis is no exception.

All pesticide product labels include a warning statement, precautionary statements for protecting human and environmental health, storage and disposal statements, and directions for use. By law, all pesticide users must follow these statements.

When using pesticide products in cannabis cultivation, applicators must not use a rate that is higher than the rates listed on the label and follow the agricultural use requirements including method of application, restricted entry interval, personal protective equipment, and pre-harvest interval.

---

**Always read the label prior to using any pesticide.**

---

---

### **Some pesticides cannot be used in cannabis cultivation.**

---

While there are some pesticide products that are legal to use on cannabis under state law, (see DPR's document: [Pesticides that are Legal to Use on Cannabis](#)) other products are never allowed in cannabis cultivation. The following criteria identify pesticide products that cannot be used in California cannabis cultivation under any circumstances. The use of any pesticides meeting any one of these criteria on cannabis will be strictly enforced as a violation of the FAC and could result in civil or criminal penalties (FAC sections 12996 and 12999.5):

- Not registered for a food use in California
- California Restricted Material including Federal Restricted Use Pesticides (3CCR section 6400)
- Signal word "DANGER"
- On the groundwater protection list (3CCR section 6800)

Cannabis cultivators who are licensed by the California Department of Food and Agriculture are required to comply with pesticide laws and regulations as enforced by DPR and the CAC's.

For more information:  
[www.cdpr.ca.gov/cannabis](http://www.cdpr.ca.gov/cannabis)

# PESTICIDES THAT **CANNOT** BE USED ON CANNABIS

The following are criteria for identifying pesticides that cannot be used in cannabis cultivation and examples of active ingredients meeting these criteria. This is a representative list of active ingredients and not intended to be exhaustive. The fact that an active ingredient is not listed does not authorize its use on cannabis in California.

## **Pesticides Not Registered for Food Use in California**

If a pesticide product does not have directions for use on a food crop, it cannot be used in cannabis cultivation. Examples of active ingredients that do not have food uses include:

- Aldicarb
- Carbofuran
- Chlordane
- Chlorfenapyr
- Coumaphos
- Daminozide
- DDVP (Dichlorvos)
- Etofenprox
- Fenoxycarb
- Imazalil
- Methyl parathion
- Mevinphos
- Paclobutrazol
- Propoxur
- Spiroxamine
- Thiacloprid

## **California Restricted Materials**

DPR designates certain pesticides as California restricted materials (3 CCR section 6400). A pesticide can be considered a restricted material for many reasons including designation as a federal Restricted Use Pesticide. Many of these products have product labels that clearly state "Restricted Use Pesticide." Consult your local CAC to determine whether a product is a restricted material. Examples of California restricted materials include:

- Abamectin
- Bifenthrin
- Brodifacoum
- Bromodiolone
- Cyfluthrin
- Difenacoum
- Difethialone
- Fipronil
- Naled

## **Pesticides on the Groundwater Protection List**

Active ingredients that are on the Groundwater Protection List (3CCR section 6800) have chemical characteristics that make them likely to move into groundwater. Examples of active ingredients on the groundwater protection list include:

- Acephate
- Azoxystrobin
- Boscalid
- Carbaryl
- Chlorantraniliprole
- Diazinon
- Dimethoate
- Dimethomorph
- Ethoprop(hos)
- Fludioxonil
- Imidacloprid
- Malathion
- Metalaxyl
- Methiocarb
- Methomyl
- Myclobutanil
- Propiconazole
- Tebuconazole
- Thiamethoxam

## **Pesticide Products with the Signal Word "DANGER"**



**COUNTY OF NEVADA  
COMMUNITY DEVELOPMENT AGENCY  
AGRICULTURAL COMMISSIONER**

950 Maidu Avenue, Nevada City CA 95959-8617  
(530) 470-2690 FAX (530) 470-2939 [www.mynevadacounty.com](http://www.mynevadacounty.com)

Sean Powers  
Community Development Agency Director

Chris De Nijs  
Agricultural Commissioner, Sealer of W&M

### **Cannabis FAQs and Application for Ag, Weights and Measures**

This application must be submitted with your Commercial Cannabis Application. If you failed to submit these documents, you will be prompted to submit them.

The following Ag and Weights and Measures documents must be included:

- Pest Management Plan (included)
- Operator ID Number Application (included)
- Device Registration Application (included)

#### **What needs to be included on my Pest Management Plan?**

The complete name of the products(s), and if applicable, the EPA Registration Number(s) from the product. Submitting only an active ingredient, ie neem oil, does not allow us to evaluate the product for possible compliance.

#### **Why do I need to include the Pest Management Plan?**

- State Law requires you seek this review from the County Agricultural Commissioner prior to the application of any pesticides. BPC 8106(a)(3)(c)
- The review process allows us to confirm the product has an allowed active ingredient, that the label is broad enough to interpret for use on cannabis, and is intended for use in agricultural production. FAC 12973
- The review also allows us to determine if you will need an operator id number, ie a pesticide permit. CCR 6622

#### **Additional information may be found on our website at:**

<https://www.mynevadacounty.com/2185/Cannabis-Conversation>  
<https://www.mynevadacounty.com/2653/Cannabis-Ag-Weights-Measures>

#### **What are the next steps?**

The Agriculture Department will contact you to set up an appointment for an operator id number as determined by our review of your pest management plan.

Weighing devices that need to be certified will be processed once we have received the Device Registration Application.



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Sean Powers  
Community Development Agency Director

Chris De Nijs  
Agricultural Commissioner, Sealer of W&M

**PEST MANAGEMENT PLAN**

|       |        |             |
|-------|--------|-------------|
| NAME: | PHONE: | CELL PHONE: |
| DBA:  | EMAIL: |             |

The complete name of the products(s), and if applicable, the EPA Registration Number(s) from the product. Submitting only an active ingredient, ie neem oil, does not allow us to evaluate the product for possible compliance.

|     | PRODUCT NAME | EPA REG. NO. | ACTIVE INGREDIENT |
|-----|--------------|--------------|-------------------|
| 1.  |              |              |                   |
| 2.  |              |              |                   |
| 3.  |              |              |                   |
| 4.  |              |              |                   |
| 5.  |              |              |                   |
| 6.  |              |              |                   |
| 7.  |              |              |                   |
| 8.  |              |              |                   |
| 9.  |              |              |                   |
| 10. |              |              |                   |



**COUNTY OF NEVADA  
COMMUNITY DEVELOPMENT AGENCY  
AGRICULTURAL COMMISSIONER**

950 Maidu Avenue, Nevada City CA 95959-8617  
(530) 470-2690 FAX (530) 470-2939 www.mynevadacounty.com

Sean Powers  
Community Development Agency Director

Chris De Nijs  
Agricultural Commissioner

**OPERATOR IDENTIFICATION NUMBER APPLICATION**

**Applicant Information**

|                   |        |             |
|-------------------|--------|-------------|
| NAME:             | PHONE: | CELL PHONE: |
| DBA:              |        | EMAIL:      |
| MAILING ADDRESS:  |        |             |
| PHYSICAL ADDRESS: |        |             |

**Pests – check all that apply**

- |                                              |                                         |
|----------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> Terrestrial weeds   | <input type="checkbox"/> Insects        |
| <input type="checkbox"/> Aquatic weeds/pests | <input type="checkbox"/> Disease/Mildew |
| <input type="checkbox"/> Vertebrates         | <input type="checkbox"/> Other          |

**Commodity – enter acreage for all that apply**

|                           |    |                                      |    |                          |    |
|---------------------------|----|--------------------------------------|----|--------------------------|----|
| Pasture (irrigated)       | ac | Uncultivated, non-ag                 | ac | Pond or ditch            | ac |
| Rangeland (non-irrigated) | ac | Timber                               | ac | Grapes                   | ac |
| Other:                    | ac | Stone Fruit (peach, plum, nectarine) | ac | Pome Fruit (apple, pear) | ac |
| Vegetables, list:         | ac |                                      |    |                          |    |

**Who will be applying pesticides?**

- ☐ Myself ☐ Employees

**I understand I will have to file a report each month I use a commercial-grade pesticide. I plan to report by:**

- ☐ Free online use reporting, must include email above ☐ Paper form; faxed, mailed or walked in

**I am the landowner of the above identified property, or I have been authorized by the landowner and have attached the letter of authorization form as required.**

Signature:

Title:

Date:

**FOR OFFICE USE ONLY**

|               |       |
|---------------|-------|
| Op ID Number: | APN:  |
| Issue Date:   | MSTR: |
| Prepared By:  |       |
| v. 3/19       |       |



**COUNTY OF NEVADA  
COMMUNITY DEVELOPMENT AGENCY  
AGRICULTURAL COMMISSIONER**

950 Maidu Avenue, Suite 170 Nevada City, CA 95959  
(530) 470-2690 FAX (530) 470-2939 [www.mynevadacounty.com](http://www.mynevadacounty.com)

**APPLICATION FOR DEVICE REGISTRATION**

**Location Specific Information**

Business Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_  
*Street, City, ZIP Code*

Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Business Phone: (     ) \_\_\_\_\_ Email: \_\_\_\_\_

**Corporate/Business Mailing Information – If same as above check here ☐**

Corporate Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
*Street, City, State, ZIP Code*

Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Business Phone: (     ) \_\_\_\_\_ Email: \_\_\_\_\_

**Weighing or Measuring Device Information – use additional sheet if necessary**

| Device Type(s) | Make/Model | Serial Number | Equipment No, if applicable, ie truck #0001 |
|----------------|------------|---------------|---------------------------------------------|
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |

Start-Up Date (If already in use): \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

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# How do I apply for a Commercial Cannabis Permit (CCP)?

*(Cultivation canopies less than or equal to 2,500sqft)*

- **First**, review through the Draft Nevada County Cannabis Cultivation Ordinance to ensure your project meets all requirements. You can view the Draft Ordinance online at <https://www.mynevadacounty.com/2185/Cannabis-Conversation>.
- **Second**, review the CCP Application Packet to ensure you have a complete permit submittal including all supplemental attachments and plans. *Incomplete submittals will not be accepted.* This packet is available online at <https://www.mynevadacounty.com/2185/Cannabis-Conversation> or in person at the Nevada County Community Development Agency (CDA) office.
- **Third**, schedule an application submittal appointment. You can schedule an appointment by calling (530) 265-1222 or in person at the CDA office starting at 8:00am on March 4, 2019. Appointments are scheduled on a first come, first serve basis. **These appointments are for complete application submittals only.** General questions and inquiries can be completed during normal daily business hours.
- **Fourth**, submit your complete application, site plan, and associated documents for review. Be prepared to pay the required application submittal fees at this time.

## I have submitted my application. Now what?

- Your application and associated documents are anticipated to be reviewed within two weeks from the application submittal date.
- Within the anticipated two week review period your project application will receive verification that it meets the requirements of the proposed draft ordinance OR you will be required to submit revised documents to meet minimum requirements. You may track your project review status online at <https://permits.mynevadacounty.com/citizenaccess/> under the "Cannabis" tab by entering your project review number you received at project submittal.
- If/when the draft ordinance is adopted and your application meets the requirements you will receive an approval letter, field set of plans/documents, conditions of approval, and pay any remaining fees *(if applicable)* at the CDA office. **Please keep in mind during the pre-application period no permits will be issued until the draft ordinance is adopted by the Nevada County Board of Supervisors.** During the pre-application review period staff will be reviewing your project based on the draft ordinance requirements as well as other County Ordinances. Applications submitted during the pre-application period are at the applicant's own risk as the draft ordinance is subject to change prior to adoption.
- Following approval of your CCP you will be contacted regarding the status and process to obtain your Annual Cannabis Permit (ACP). Once the ACP is obtained you will be required to schedule a pre-cultivation inspection within 30 days of issuance. An additional random cultivation inspection will be conducted by a Cannabis Compliance Officer at a later date during cultivation. Passing inspections are required to have a valid ACP and CCP.

**Nevada County Community Development Agency (CDA)**

950 Maidu Ave. Nevada City, CA 95959, Suite 170

(530) 265-1222

[ComDevAgency@co.nevada.ca.us](mailto:ComDevAgency@co.nevada.ca.us)





| <b>ADDITIONAL INDIVIDUALS/ENTITIES WITH FINANCIAL INTEREST</b><br><i>(Attach additional sheets if necessary)</i>                                                                                                                                                     |               |                                                                  |               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|------------------------------------------------------------------|---------------|
| Name:                                                                                                                                                                                                                                                                |               | Name:                                                            |               |
| Address:                                                                                                                                                                                                                                                             |               | Address:                                                         |               |
| City/State/Zip                                                                                                                                                                                                                                                       |               | City/State/Zip                                                   |               |
| Phone: (    )                                                                                                                                                                                                                                                        | Phone: (    ) | Fax: (    )                                                      | Phone: (    ) |
| E-mail:                                                                                                                                                                                                                                                              |               | E-mail:                                                          |               |
| <b>Nature/Extent of Financial Interest:</b>                                                                                                                                                                                                                          |               | <b>Nature/Extent of Financial Interest:</b>                      |               |
|                                                                                                                                                                                                                                                                      |               |                                                                  |               |
|                                                                                                                                                                                                                                                                      |               |                                                                  |               |
| <b>Additional Parcels with Financial Interest in Businesses:</b>                                                                                                                                                                                                     |               | <b>Additional Parcels with Financial Interest in Businesses:</b> |               |
| APN's:                                                                                                                                                                                                                                                               | -       -     | APN's:                                                           | -       -     |
|                                                                                                                                                                                                                                                                      | -       -     |                                                                  | -       -     |
|                                                                                                                                                                                                                                                                      | -       -     |                                                                  | -       -     |
| <b>TRANSITION PERIOD</b><br><i>Clearly describe/list any areas of noncompliance with the Nevada County Municipal Code that qualifies for the transition period shown in the Nevada County Commercial Cannabis Ordinance. (attach additional sheets if necessary)</i> |               |                                                                  |               |
|                                                                                                                                                                                                                                                                      |               |                                                                  |               |
|                                                                                                                                                                                                                                                                      |               |                                                                  |               |
|                                                                                                                                                                                                                                                                      |               |                                                                  |               |

### **REVIEW AND INITIAL ALL OF THE FOLLOWING**

**Initial:**

- \_\_\_\_\_ I certify that the project parcel is in full compliance with all regulations shown in the County's Commercial Medical Cannabis Ordinance.
- \_\_\_\_\_ I certify that I have a legally permitted residence on the parcel or legally permitted residence on a parcel adjacent to the cultivation site under common ownership with a permitted water source.
- Legally permitted residence is on (check one):
- ☐ Parcel with Cultivation  
☐ Parcel Adjacent to Cultivation Site under Common Ownership  
☐ See "Transition Period" Section
- \_\_\_\_\_ I recognize that this commercial cannabis permit only remains active with a finalized and current Annual Cannabis Permit (ACP).
- \_\_\_\_\_ I recognize that all aspects not in compliance with the Nevada County Municipal Codes on the parcel that qualify for the transition period shall be in full compliance 2 years from date of application.
- \_\_\_\_\_ I recognize that that this permit may be revoked at any time at the discretion of the Community Development Agency Director or their designee.
- \_\_\_\_\_ I recognize that the use of a primary residential well water supply for any cannabis related activities could impair the amount of water supplied to the residence for living purposes. The County of Nevada is not responsible for any reduction in water availability to the applicant's residence as a result of use for other than residential living purposes.

### **APPLICANT'S DECLARATION**

By my signature below, I certify that I am the property owner or authorized to act on the property owner's behalf. I have read this permit application and the information I have provided is true and correct. I agree to comply with all applicable County ordinances and State laws. I authorize representatives from the County to enter upon the above-identified property for inspection purposes.

Signature: \_\_\_\_\_ Print: \_\_\_\_\_ Date: \_\_\_\_\_



# COUNTY OF NEVADA COMMUNITY DEVELOPMENT AGENCY

## Cannabis Compliance Division

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617  
(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Craig Griesbach, Director

## COMMERCIAL CANNABIS PERMIT (CCP) SUBMITTAL CHECKLIST

THE FOLLOWING ITEMS ARE REQUIRED FOR A COMPLETE APPLICATION SUBMITTAL. **INCOMPLETE SUBMITTALS WILL NOT BE ACCEPTED; PLEASE READ CAREFULLY!** THIS COMPLETED AND SIGNED FORM MUST ACCOMPANY THE PERMIT APPLICATION

SITE ADDRESS: \_\_\_\_\_ APN(s): \_\_\_\_\_

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>EIGHT (8) SETS OF FULL SIZED SITE PLANS ARE REQUIRED AND ONE (1) REDUCED 8.5"X11" COPY.</b> Site Plans must be drawn to scale in blue or black ink and completed in a legible manner on clear unlined paper; minimum size is 11" x 17", maximum size 24" X 36". The Scope of Work must be fully stated and detailed on the site plan. Plans should be prepared with lettering of sufficient contrast to be readable when scanning. Photocopies or prints may be submitted. <b>Pencil, whiteout, taped notes/details and any other submittal that is illegible or not completed in a workmanlike manner will not be accepted.</b> <i>See Site Plan requirements on back of this sheet.</i> |
|  | <b>Copy of Identification:</b> Driver's license, state ID, Passport or other approved means of formal identification                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|  | <b>Completion of Commercial Cannabis Permit Application</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|  | <b>Submittal of Security/Operation Plan</b> ( <i>see checklist</i> )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|  | <b>Notarized Landlord Authorization to Conduct Medical Commercial Cannabis Cultivation Activities at Site</b> ( <i>if applicant isn't property owner</i> )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|  | <b>Limited Liability Company (LLC) Information:</b> Members, positions, contact information, etc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|  | <b>Copy of Deed to Property</b> (if owner shown on application does not match County parcel records)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|  | <b>Copy of Signed Lease Agreements</b> (if owner/operation/applicant is not the property owner)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|  | <b>Verification of Approved Water Source:</b> Copy of finalized well permit or will serve letter from water district.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|  | <b>Verification of Approved Septic/Sewer:</b> Copy of finalized septic/sewer permit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|  | <b>Verification of Approved Electrical Service:</b> Copy of finalized electrical service permit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|  | <b>Lighting:</b> Lighting control plan for any light used for cultivation and/or site lighting demonstrating how light will be shielded between sunset and sunrise.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|  | <b>Dust Control:</b> Dust control plan and/or information showing compliance with NSAQMD Rule 226                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|  | <b>Biological Resources Information:</b> Review of any biological materials onsite (can be completed by applicant)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|  | <b>North Central Information Center (NCIC) – Cultural Resources Sensitivity Letter</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|  | <b>Hazardous Waste Statement Form</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|  | <b>State License:</b> Copy of state license application (if available)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|  | <b>Copy of Bond:</b> Proof of purchase of a Certificate of Deposit from a State of California licensed commercial banking institution of \$5,000 accessible by the County of Nevada                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|  | <b>Site Plan Accuracy:</b> Site plan matches aerial imagery for building locations, cultivation locations, etc.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|  | <b>Agricultural Commissioner's Department:</b> Pest Management Plan & Current Weighing Device Certificates                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|  | <b>Regional Water Quality Control Permits</b> (copies)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|  | <b>Transition Plan:</b> Detailed list of items on the parcel not in compliance with Nevada County Municipal Codes with a clear list of transition timelines to bring property into full compliance.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|  | <b>Agreement to Pay Form</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|  | <b>Payment of Applicable Fees</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

APPLICANT'S SIGNATURE/DATE \_\_\_\_\_ STAFF'S INITIALS/DATE \_\_\_\_\_

ALL PLANS SUBMITTED BECOME THE PROPERTY OF THE COUNTY OF NEVADA.

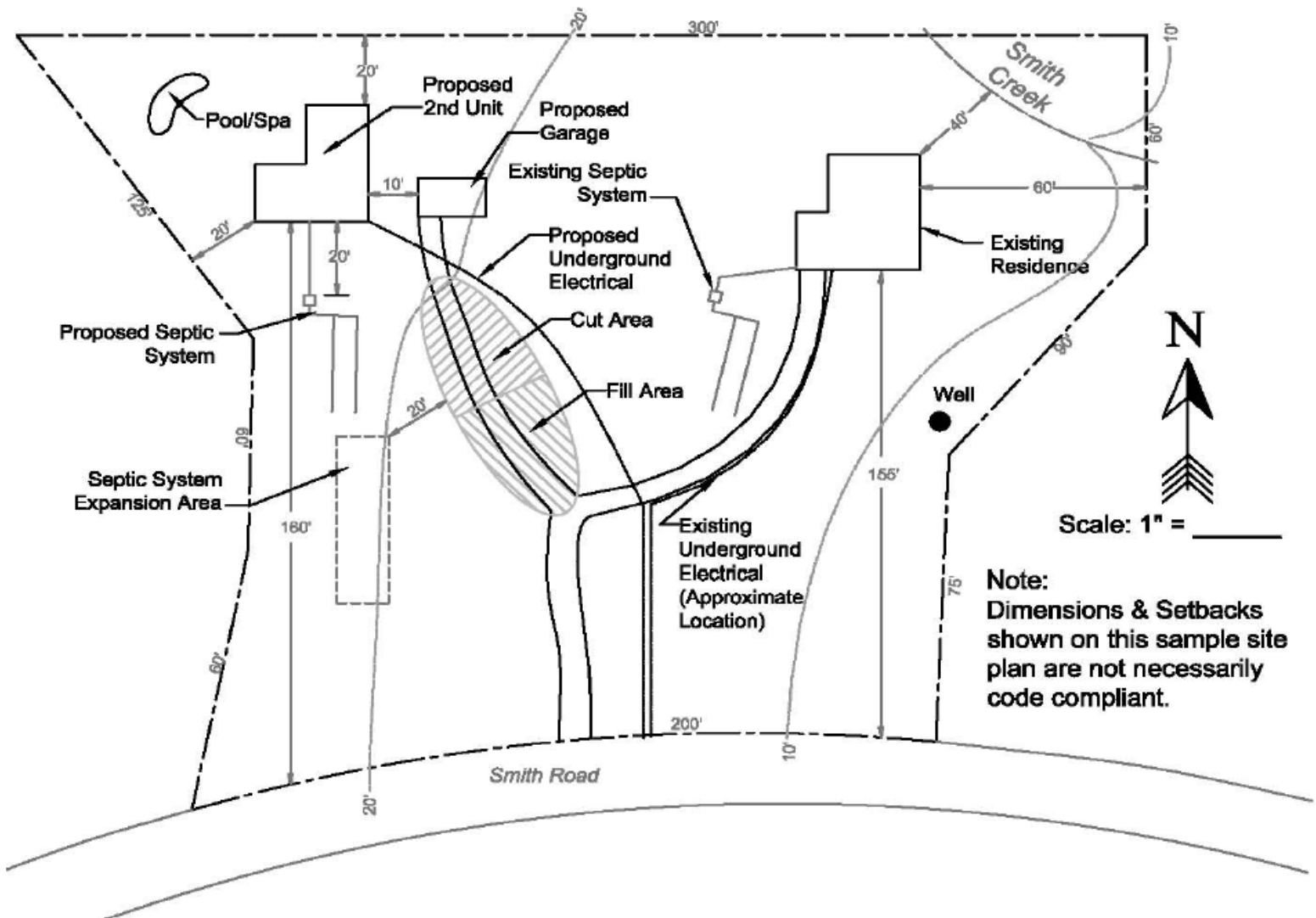
It is unlawful to alter the substance of any official form or document of Nevada County.

## SITE PLAN REQUIREMENTS

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>The entire property must be shown on the site plan (including all property lines and dimensions). If the property is too large then a smaller scale may be used; however, a second site plan will need to be provided of the area of development at a recognized scale. <i>Minimum sheet size 11"x17" with minimum 8 sets of plans.</i></b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Site Plan Recognized Scales: 1"= 10', 1"= 20', 1"= 30', 1"= 40', 1"= 50', 1"= 60'</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p style="text-align: center;"><b>GENERAL INFORMATION TO BE INCLUDED ON SITE PLAN</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <ul style="list-style-type: none"> <li>➤ Owner's Name, Phone #, Mailing Address</li> <li>➤ Project Site Address</li> <li>➤ Assessor's Parcel Number (APN)</li> <li>➤ Parcel Zoning &amp; Acreage</li> <li>➤ Vicinity Map</li> <li>➤ North Arrow &amp; Scale</li> <li>➤ Statement of Compliance (Cannabis Ordinance)</li> <li>➤ Impervious Surface Coverage Calculation</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>➤ Preparer's Name/Address/Signature</li> <li>➤ Date of Preparation/Revision Dates</li> <li>➤ Architect/Engineer Name/Address (if applicable)</li> <li>➤ Project Description</li> <li>➤ Square Footage/Clear Use of Each Structure</li> <li>➤ Contiguous Canopy Cultivation Area(s) Shown with Clear Dimensions and Square Footage Listed</li> <li>➤ Cannabis Support Areas with Clear Use(s) and Square Footage Listed</li> </ul> |
| <p><b>Identify all existing and proposed structures and ground-mounted equipment.</b> Please note on the site plan if the existing structures were built with the benefit of a permit or were built prior to 1962. (AS-BUILT permits are required for structures that were not built with a permit after 1962 and do not qualify for an exemption per County Ordinance.)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Location of all wells, water storage tanks, bodies of water, year round or seasonal watercourses, drainage ditches, NID ditches, agricultural/ irrigation lines, and 100 year flood plains.</b> Include distance from the cultivation area to any well/water source. Water storage tanks used for fire prevention require a permit and Fire Dept. approval.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Location of all utilities</b> (above and underground sources &amp; lines) including water, sewage, grease interceptors, electrical and phone lines. Include details for underground utilities prepared by the Civil Engineer of Record.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Indicate location and layout of existing septic system.</b> Include leach lines, septic and pump tanks, clean-outs, distribution system, and layout and location of the 100% repair area. Show setbacks to septic tanks and leach lines from the cultivation area.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Indicate the location and surfacing of all existing conforming and/or permitted driveways and roadways.</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Identify all easements</b> (PG&amp;E, telephone, water (NID), road, driveway, "No Access", etc.).</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Characterization of slope and topography:</b></p> <ul style="list-style-type: none"> <li>• The characterization of slope in the cultivation area may be provided by the owner if the slope is less than 10% and a note is placed on the plans that the topography is depicted as per owner's representation.</li> <li>• Contour intervals should be at a two (2') feet minimum and extend 50' feet beyond the proposed area of cultivation.</li> <li>• If the slope in the area of cultivation exceeds 10%, provide a topographic survey prepared by a licensed Land Surveyor or Civil Engineer. If a professional survey is conducted, the surveyor or engineer must provide a wet stamp of certification on the site plan.</li> </ul>                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Boundary Line Verification (if located within two times the required setback):</b><br/>If property line boundary markers are not currently onsite the property lines shall be flagged by a licensed Land Surveyor or Civil Engineer authorized to practice land surveying. Prior to site inspection, a Boundary Line Verification Form (or the like) must be completed and submitted to CDA Staff or inspector. <b><u>Clearly note this on the cover sheet of the plans.</u></b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Indicate any grading activities being completed.</b> Indicate disturbed area in square feet, amount of cut/fill and total amount of cubic yards. (A grading permit may be required based grading activity being completed per County Ordinance)</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Indicate location of any hazardous and/or flammable materials.</b> Indicate the setback from hazardous materials to the cultivation site, structures, wells, water tanks, bodies of water, watercourses, drainage ditches, irrigation lines and 100 year floodplains.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Landmark Trees:</b> Indicate any areas where landmark trees, landmark groves, and heritage trees and indicate if any of these areas will be affected by improvements completed onsite.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Burning:</b> The following note shall be placed on the site plan, "The burning of any part of the cannabis plant or plant materials that is considered in excess or waste is prohibited from being burned."</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Archeological Features:</b> Note on the plans, "If subsurface archeological and/or paleontological features or unique geologic features are discovered during construction or ground disturbance all activities within 50ft of the find shall cease and the County shall be notified immediately.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Fire Access:</b> Provide a compliant fire access roadway or driveway as required by the local fire district to all commercial cannabis structures onsite. This shall include information for roadway slopes, widths, vegetation clearances, etc.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Fire Water Flow:</b> Location, type, and size of onsite water storage meeting fire flow and fire department connection requirements per the California Fire Code.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b><u>Cannabis Cultivation &amp; Support Areas:</u></b></p> <ul style="list-style-type: none"> <li>• Indicate total demarcated mature canopy square footage area and location of plants to be cultivated</li> <li>• Indicate specific use(s), square footage, and location of cannabis support areas</li> <li>• Indication if the cultivation is indoor, mixed-light, or outdoor</li> <li>• Indicate setbacks from the cultivation site and support areas to structures, driveways/roadways, property lines (100ft min), and easements</li> <li>• Indicate the setbacks from the cultivation area to any school, church, park, child or day care center, or youth-oriented facility (1,000ft min)</li> <li>• Provide a clear description how the cultivation area will be adequately screened from a public right-of-way or publicly traveled private road</li> <li>• Location, construction, and height of secure fencing for all outdoor cultivation areas including locations of secured entry gates</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

## Sample Site Plan:

Additional information will need to be added showing all site plan submittal requirements including cultivation location(s), cultivation size, cultivation setbacks, security measures, screening measures, etc.





**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
**Cannabis Compliance Division**

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617  
(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Craig Griesbach, Director

**COMMERCIAL CANNABIS PERMIT SECURITY/OPERATION PLAN CHECKLIST**

**THE FOLLOWING ITEMS ARE REQUIRED FOR A COMPLETE APPLICATION SUBMITTAL OF A SECURITY PLAN.**  
**INCOMPLETE SUBMITTALS WILL NOT BE ACCEPTED; PLEASE READ CAREFULLY!**

**EIGHT (8) SETS OF SECURITY PLANS ARE REQUIRED TO BE SUBMITTED**

|  |                                                                                                                                                                                                                                                                                                                                                                                                              |
|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <b>Perimeter Security:</b> Provide a complete and clear description of perimeter security components including fencing, gates, locking hardware, doors, component heights, etc.                                                                                                                                                                                                                              |
|  | <b>Cultivation Area Screening:</b> Indicate how the cultivation area will be screened from the public-right-of way or publicly traveled private roads. Indicate materials used, construction, etc.                                                                                                                                                                                                           |
|  | <b>Hazardous Materials:</b> Include an itemized list showing the amount and type of hazardous and/or flammable materials used onsite. Include information regarding locations of storage and use areas.                                                                                                                                                                                                      |
|  | <b>Access:</b> Indicate how the cultivation area and all habitable structures are accessed by emergency personnel. Indicate the widths and lengths of driveways and locations of access gates.                                                                                                                                                                                                               |
|  | <b>Exterior Noise:</b> Indicate how exterior noise will be limited in accordance with the Nevada County Zoning Ordinance applicable to the Land Use Category and Zoning District where cultivation activities will occur. ( <i>Nevada County Land-Use and Development Code L-II 4.1.7</i> )                                                                                                                  |
|  | <b>Building Security:</b> Specify any building safety and security components associated to access to buildings, door docking hardware, wall construction, exterior wall opening access points, etc.                                                                                                                                                                                                         |
|  | <b>Exterior Lighting:</b> Indicate the type and location of any exterior lighting installed at cultivation areas as a deterrent for trespassing. Indicate placement of lighting associated to placement of security/surveillance systems. Indicate lighting installed will be downcast and full shielded as to not create light pollution. ( <i>Nevada County Land-Use and Development Code L-II 4.2.8</i> ) |
|  | <b>Surveillance:</b> Indicate any types of video surveillance systems or alarm systems installed. Indicate placement locations and types of cameras, alarms, etc.                                                                                                                                                                                                                                            |
|  | <b>Onsite Presence:</b> Indicate how the cultivation area will be monitored by onsite personnel. Specify the frequency and location of persons' onsite overseeing cultivation activities. Indicate types of safety and security training provided to onsite personnel.                                                                                                                                       |
|  | <b>Security of Valuables:</b> Indicate the approach to keeping currency and valuables that are located onsite in a secure and safe location.                                                                                                                                                                                                                                                                 |
|  | <b>Operation Plan:</b> Types of activities conducted onsite, specific uses/business activities in each applicable structure, number and type of employees, hours of operation, equipment operation onsite, number of anticipated vehicle trips per day, and any other activity applicable to the commercial operation onsite.                                                                                |



# COUNTY OF NEVADA COMMUNITY DEVELOPMENT AGENCY

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617  
PH: (530) 265-1222 FAX: (530) 265-9854 <http://www.mynevadacounty.com>

Agricultural Commissioner

Building Department

Environmental Health

Planning Department

Dept. of Public Works

## AGREEMENT TO PAY

Nevada County Community Development Agency fees are based on Board of Supervisor approved fee schedules. Hourly fees and fees for services in excess of a minimum fee collected, including re-inspections, are billed to the applicant based on the Board approved fee schedule in effect at the time the work is performed by staff. This *Agreement To Pay* form must be signed and original signatures submitted to the NCCDA along with the completed permit forms and the initial payment of fees. Copies of current fee schedules are available from our Customer Service Staff or on the web at <http://www.mynevadacounty.com>

I/We understand that the NCCDA will bill as services are rendered, and I/We agree to pay such billing within thirty (30) days of the mailing of such billing for the project/permit. If payments on outstanding invoices are not made within thirty (30) days after the date of the invoice, County staff may cease work on the project until the required payment is made, subject to any other provisions of the law. All fees must be paid prior to the granting of any permits, approvals, or any land use entitlement for which services are required. The collection of fees, however, does not guarantee the granting of any permits, approvals, or land use entitlements for which I/We are applying.

### Site Information:

### Invoices and/or notices to be mailed to:

|                                                     |                  |
|-----------------------------------------------------|------------------|
| APN: _____                                          | Name: _____      |
| Property Owner/Business Name (if applicable): _____ | Address: _____   |
| Address: _____                                      | _____            |
| _____                                               | Telephone: _____ |
| Email: _____                                        | Email: _____     |

NCCDA Staff is authorized to consult with necessary governmental agencies and the following individuals concerning this project: \_\_\_\_\_

*I certify under proof of perjury that I am the property owner or that I am authorized to enter into this fee agreement on his/her behalf. I have read the conditions concerning Nevada County Community Development Agency Fees and I understand that in the event that the billing party I have indicated does not pay required fees, I will be responsible for payment. I further agree to advise the department in writing should I no longer be associated with the above referenced project/property, rendering this agreement invalid as of the change of the date that the letter is received by the Nevada County Community Development Agency.*

\_\_\_\_\_  
Printed Name

Dated: \_\_\_\_\_

CDL# \_\_\_\_\_

\_\_\_\_\_  
Signature

### THIS SECTION FOR OFFICE USE ONLY

|                        |                |                  |
|------------------------|----------------|------------------|
| Service: _____         | Program: _____ | Job No: _____    |
| Amount: \$ _____       | Check #: _____ | Receipt #: _____ |
| Date of Receipt: _____ |                |                  |
| Service: _____         | Program: _____ | Job No: _____    |
| Amount: \$ _____       | Check #: _____ | Receipt #: _____ |
| Date of Receipt: _____ |                |                  |



**COUNTY OF NEVADA  
COMMUNITY DEVELOPMENT AGENCY**

Sean Powers, Director

**ENVIRONMENTAL HEALTH DEPARTMENT**  
Amy Irani, REHS, Director

950 MAIDU AVENUE, SUITE #170  
NEVADA CITY, CA 95959

PH: (530) 265-1222  
FAX: (530) 265-9853

[Env.Health@co.nevada.ca.us](mailto:Env.Health@co.nevada.ca.us)

<http://mynevadacounty.com>

## **COMMERCIAL CANNABIS CULTIVATION APPLICATION PACKET FOR TEMPORARY PORTABLE RESTROOM USE**

**THIS APPLICATION APPLIES TO OPERATIONS WITH 2-5 EMPLOYEES ONLY FOR TWO (2) HARVEST SEASONS PER YEAR. OPERATIONS WITH 6 + EMPLOYEES MUST APPLY FOR THE INSTALLATION OF A PERMANENT RESTROOM FACILITY UPON THE BUSINESS PROPERTY.**

The proper maintenance, monitoring and commercial contractual agreement for the temporary portable restroom is important for use approval. It assures that you will meet all structural and operational requirements of the applicable State Health Laws, and at the same time, meet the objective of protecting the public health and welfare as well as the environment.

### **Application Submittal Requirements:**

1. **Application Cover Sheet. (Page 2)** This is the only page from this packet that is required to be completed and submitted to the Environmental Health Department. All other pages are to act as guidelines or templates for submittal requirements. Portable Toilet must meet all ADA requirements per State and Local Laws.
2. **COMPLETE SITE PLAN to include the following:**
  - a. Location of the portable toilet facility and portable hand washing station. Portable toilet shall be installed to prevent spillage, or collapse of the unit.
  - b. Plans shall be easily readable and drawn to scale. *Recommended scale of 1/4"=1' and shall include residential well, septic tank and disposal field locations.*
3. **COMPLETE AND SIGNED AGREEMENT WITH A LICENSED, COMMERCIAL PORTABLE TOILET BUSINESS.** Agreement shall include:
  - a. Weekly service agreement for the maintenance and sanitation of the portable toilet and hand washing station.
  - b. Delivery for Summer Harvest (June – August) and Fall Harvest (October – November). After each harvest time frame, the portable toilet and hand washing station will be removed from the property. The contractual agreement shall specify this requirement.
  - c. Portable hand washing station supplied with water, soap and paper towels.



**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
Sean Powers, Director

---

**ENVIRONMENTAL HEALTH DEPARTMENT**  
Amy Irani, REHS, Director

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Env.Health@co.nevada.ca.us  
<http://mynevadacounty.com>

## COMMERCIAL CANNABIS CULTIVATION PORTABLE TOILET USE APPLICATION

Business/Facility Name: \_\_\_\_\_ APN: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Site Address: (street, city, zip) \_\_\_\_\_

Residence Water Source: ☐ Private Well ☐ Public Water - Agency: \_\_\_\_\_

Residence Sewage Disposal: ☐ Private Septic ☐ Public Sewer: \_\_\_\_\_

Owner Name: \_\_\_\_\_

Email: \_\_\_\_\_ Phone No. \_\_\_\_\_

Mailing Address: (street, city, zip) \_\_\_\_\_

Building Permit No: \_\_\_\_\_

**Please check the following that apply and include in your Plan Check Submittal:**

- ☐ Submit a detailed plan drawn to scale.
- ☐ This Business will be harvesting two (2) times per year
  - ☐ June – August
  - ☐ October - November
- ☐ This Business has 2-5 employees.
- ☐ Contract with licensed, commercial portable toilet company is enclosed
- ☐ Contract with licensed, commercial portable toilet company includes hand washing station and weekly maintenance agreement.

**\*\*\*APPROVAL OF PERMIT VALID FOR ONE YEAR FROM DATE OF APPROVAL\*\*\***

*I have read the above "checklist" and ALL items checked are completed or marked not applicable. Further, I recognize that an incomplete or inaccurate permit application will result in delaying the processing and issuing of my permit and may incur additional fees at the current hourly rate above the initial deposit. I also agree to and understand that the approval of this permit is valid for one year from the approval date, and I agree to apply annually to renew this permit with the applicable fees.*

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name and Title (if any)

\_\_\_\_\_  
Date

**OFFICE USE ONLY**

☐ Approved ☐ Denied, Reason: \_\_\_\_\_

By: \_\_\_\_\_, REHS

Date: \_\_\_\_\_

# CANNABIS

PESTICIDES THAT ARE **LEGAL** TO USE



**Protecting workers, the public, and the environment from adverse effects of pesticide use in cannabis cultivation is critical to the mission of the California Department of Pesticide Regulation (DPR).** DPR and the County Agricultural Commissioners (CAC) enforce the use and sale of pesticides under Divisions 6 and 7 of the California Food and Agricultural Code (FAC), and Title 3 of the California Code of Regulations (CCR). These laws and regulations apply to all pesticide use; cannabis is no exception.

All pesticide product labels include a warning statement, precautionary statements for protecting human and environmental health, storage and disposal statements, and directions for use. By law, all pesticide users must follow these statements.

When using pesticide products in cannabis cultivation, applicators must not use a rate that is higher than the rates listed on the label and follow the agricultural use requirements including method of application, restricted entry interval, personal protective equipment, and pre-harvest interval.

Some pesticide products are never allowed in cannabis cultivation under any circumstances (see DPR's document: [Pesticides that Cannot be Used on Cannabis](#)).

---

## Always read the label prior to using any pesticide.

---

### PRODUCTS THAT CAN BE LEGALLY APPLIED TO CANNABIS IN CALIFORNIA

A pesticide product can legally be applied to cannabis under state law if the active ingredients found in the product are exempt from residue tolerance requirements and the product is either exempt from registration requirements or registered for a use that is broad enough to include use on cannabis.

Residue tolerance requirements are set by U.S. EPA for each pesticide on each food crop and are the amount of pesticide residue allowed to remain in or on each treated crop with "reasonable certainty of no harm." Some pesticides are exempt from the tolerance requirement when they are found to be minimal risk.

Active ingredients exempt from registration requirements are mostly food-grade essential oils such as peppermint oil or rosemary oil.

Cannabis cultivators who are licensed by the California Department of Food and Agriculture are required to comply with pesticide laws and regulations as enforced by DPR and the CAC's.

For more information:  
[www.cdpr.ca.gov/cannabis](http://www.cdpr.ca.gov/cannabis)

# PESTICIDES THAT ARE **LEGAL** TO USE ON CANNABIS

The following are examples of pesticide active ingredients that are exempt from tolerance requirements and either exempt from registration requirements or have labels broad enough to include use on cannabis. This is not an exhaustive list of active ingredients that may fit the legal use criteria. The active ingredients are organized by the intended target.

## Insecticides and Miticides

- Azadirachtin
- *Bacillus thuringiensis* sub. *kurstaki*
- *Bacillus thuringiensis* sub. *israelensis*
- *Beauveria bassiana*
- *Burkholderia* spp. strain A396
- Capsaicin
- Cinnamon and cinnamon oil
- Citric acid
- Garlic and garlic oil
- Geraniol
- Horticultural oils (petroleum oil)
- Insecticidal soaps (potassium salts of fatty acids)
- Iron phosphate
- *Isaria fumosorosea*
- Neem oil
- Potassium bicarbonate
- Potassium sorbate
- Rosemary oil
- Sesame and sesame oil
- Sodium bicarbonate
- Soybean oil
- Sulfur
- Thyme oil

## Fungicides and Antimicrobials

- *Bacillus amyloliquefaciens* strain D747
- Cloves and clove oil
- Corn oil
- Cottonseed oil
- *Gliocladium virens*
- Neem oil
- Peppermint and peppermint oil
- Potassium bicarbonate
- Potassium silicate
- Rosemary and rosemary oil
- Sodium bicarbonate
- *Reynoutria sachalinensis* extract
- *Trichoderma harzianum*

## Vertebrate Repellants

- Castor oil
- Geraniol

# CANNABIS

## PESTICIDES THAT **CANNOT** BE USED



**Protecting workers, the public, and the environment from adverse effects of pesticide use in cannabis cultivation is critical to the mission of the California Department of Pesticide Regulation (DPR).** DPR and the County Agricultural Commissioners (CAC) enforce the use and sale of pesticides under Divisions 6 and 7 of the California Food and Agricultural Code (FAC), and Title 3 of the California Code of Regulations (CCR). These laws and regulations apply to all pesticide use; cannabis is no exception.

All pesticide product labels include a warning statement, precautionary statements for protecting human and environmental health, storage and disposal statements, and directions for use. By law, all pesticide users must follow these statements.

When using pesticide products in cannabis cultivation, applicators must not use a rate that is higher than the rates listed on the label and follow the agricultural use requirements including method of application, restricted entry interval, personal protective equipment, and pre-harvest interval.

---

**Always read the label prior to using any pesticide.**

---

---

### **Some pesticides cannot be used in cannabis cultivation.**

---

While there are some pesticide products that are legal to use on cannabis under state law, (see DPR's document: [Pesticides that are Legal to Use on Cannabis](#)) other products are never allowed in cannabis cultivation. The following criteria identify pesticide products that cannot be used in California cannabis cultivation under any circumstances. The use of any pesticides meeting any one of these criteria on cannabis will be strictly enforced as a violation of the FAC and could result in civil or criminal penalties (FAC sections 12996 and 12999.5):

- Not registered for a food use in California
- California Restricted Material including Federal Restricted Use Pesticides (3CCR section 6400)
- Signal word "DANGER"
- On the groundwater protection list (3CCR section 6800)

Cannabis cultivators who are licensed by the California Department of Food and Agriculture are required to comply with pesticide laws and regulations as enforced by DPR and the CAC's.

For more information:  
[www.cdpr.ca.gov/cannabis](http://www.cdpr.ca.gov/cannabis)

# PESTICIDES THAT **CANNOT** BE USED ON CANNABIS

The following are criteria for identifying pesticides that cannot be used in cannabis cultivation and examples of active ingredients meeting these criteria. This is a representative list of active ingredients and not intended to be exhaustive. The fact that an active ingredient is not listed does not authorize its use on cannabis in California.

## **Pesticides Not Registered for Food Use in California**

If a pesticide product does not have directions for use on a food crop, it cannot be used in cannabis cultivation. Examples of active ingredients that do not have food uses include:

- Aldicarb
- Carbofuran
- Chlordane
- Chlorfenapyr
- Coumaphos
- Daminozide
- DDVP (Dichlorvos)
- Etofenprox
- Fenoxycarb
- Imazalil
- Methyl parathion
- Mevinphos
- Paclobutrazol
- Propoxur
- Spiroxamine
- Thiacloprid

## **California Restricted Materials**

DPR designates certain pesticides as California restricted materials (3 CCR section 6400). A pesticide can be considered a restricted material for many reasons including designation as a federal Restricted Use Pesticide. Many of these products have product labels that clearly state "Restricted Use Pesticide." Consult your local CAC to determine whether a product is a restricted material. Examples of California restricted materials include:

- Abamectin
- Bifenthrin
- Brodifacoum
- Bromodiolone
- Cyfluthrin
- Difenacoum
- Difethialone
- Fipronil
- Naled

## **Pesticides on the Groundwater Protection List**

Active ingredients that are on the Groundwater Protection List (3CCR section 6800) have chemical characteristics that make them likely to move into groundwater. Examples of active ingredients on the groundwater protection list include:

- Acephate
- Azoxystrobin
- Boscalid
- Carbaryl
- Chlorantraniliprole
- Diazinon
- Dimethoate
- Dimethomorph
- Ethoprop(hos)
- Fludioxonil
- Imidacloprid
- Malathion
- Metalaxyl
- Methiocarb
- Methomyl
- Myclobutanil
- Propiconazole
- Tebuconazole
- Thiamethoxam

## **Pesticide Products with the Signal Word "DANGER"**

## NEVADA COUNTY

### HAZARDOUS MATERIALS / WASTE STATEMENT

APN: \_\_\_\_\_ Property Owner: \_\_\_\_\_

**Hazardous sites:** General Plan policy requires the County pursue the cleanup of sites contaminated by mine waste or other hazardous materials prior to approving land use projects. Where hazardous waste or hazardous materials may occur on a project site, a Phase I site assessment may be required prior to processing or approving your project. Respond to the following questions and provide the requested information:

1. Is there evidence of any past, potentially hazardous use on or near the project site, including underground fuel storage tanks, dumpsites, artillery ranges, surface or subsurface mining activity?

☐ **Yes** Provide a Memo from the County Dept. of Environmental Health that adequate information is on file to accept the project for processing.

☐ **No** List the research and/or source of information justifying your response.

\_\_\_\_\_  
\_\_\_\_\_

**Hazardous use.** It is the applicant's responsibility to understand the definition of "hazardous material" and "hazardous waste," as defined in the California Health & Safety Code, Chapter 6.5. The storage of hazardous materials and the generation of hazardous waste are regulated under federal, state and county codes. The storage of hazardous materials in quantities equal to or greater than, a total weight of 500 pounds, or a total volume of 55 gallons, or 200 cubic feet at standard temperature and pressure for compressed gas; or the generating of hazardous wastes in any quantity, requires a permit from the Nevada County Department of Environmental Health.

2. Will hazardous materials be used, or will hazardous waste be generated from the facility resulting from this project? Check the appropriate response and provide the listed information.

☐ **Yes** A Hazardous Materials Inventory Statement (HMIS), obtained from the Department of Environmental Health, must be filed with this project application.

☐ **No** Explain why no hazardous materials are used for the proposed use or business:

\_\_\_\_\_  
\_\_\_\_\_



**COUNTY OF NEVADA  
COMMUNITY DEVELOPMENT AGENCY  
AGRICULTURAL COMMISSIONER**

950 Maidu Avenue, Nevada City CA 95959-8617  
(530) 470-2690 FAX (530) 470-2939 [www.mynevadacounty.com](http://www.mynevadacounty.com)

Sean Powers  
Community Development Agency Director

Chris De Nijs  
Agricultural Commissioner, Sealer of W&M

### **Cannabis FAQs and Application for Ag, Weights and Measures**

This application must be submitted with your Commercial Cannabis Application. If you failed to submit these documents, you will be prompted to submit them.

The following Ag and Weights and Measures documents must be included:

- Pest Management Plan (included)
- Operator ID Number Application (included)
- Device Registration Application (included)

#### **What needs to be included on my Pest Management Plan?**

The complete name of the products(s), and if applicable, the EPA Registration Number(s) from the product. Submitting only an active ingredient, ie neem oil, does not allow us to evaluate the product for possible compliance.

#### **Why do I need to include the Pest Management Plan?**

- State Law requires you seek this review from the County Agricultural Commissioner prior to the application of any pesticides. BPC 8106(a)(3)(c)
- The review process allows us to confirm the product has an allowed active ingredient, that the label is broad enough to interpret for use on cannabis, and is intended for use in agricultural production. FAC 12973
- The review also allows us to determine if you will need an operator id number, ie a pesticide permit. CCR 6622

#### **Additional information may be found on our website at:**

<https://www.mynevadacounty.com/2185/Cannabis-Conversation>  
<https://www.mynevadacounty.com/2653/Cannabis-Ag-Weights-Measures>

#### **What are the next steps?**

The Agriculture Department will contact you to set up an appointment for an operator id number as determined by our review of your pest management plan.

Weighing devices that need to be certified will be processed once we have received the Device Registration Application.



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Chris De Nijs  
Agricultural Commissioner, Sealer of W&M

**PEST MANAGEMENT PLAN**

|       |        |             |
|-------|--------|-------------|
| NAME: | PHONE: | CELL PHONE: |
| DBA:  | EMAIL: |             |

The complete name of the products(s), and if applicable, the EPA Registration Number(s) from the product. Submitting only an active ingredient, ie neem oil, does not allow us to evaluate the product for possible compliance.

|     | PRODUCT NAME | EPA REG. NO. | ACTIVE INGREDIENT |
|-----|--------------|--------------|-------------------|
| 1.  |              |              |                   |
| 2.  |              |              |                   |
| 3.  |              |              |                   |
| 4.  |              |              |                   |
| 5.  |              |              |                   |
| 6.  |              |              |                   |
| 7.  |              |              |                   |
| 8.  |              |              |                   |
| 9.  |              |              |                   |
| 10. |              |              |                   |



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Sean Powers  
Community Development Agency Director

Chris De Nijs  
Agricultural Commissioner

**OPERATOR IDENTIFICATION NUMBER APPLICATION**

**Applicant Information**

|                   |        |             |
|-------------------|--------|-------------|
| NAME:             | PHONE: | CELL PHONE: |
| DBA:              |        | EMAIL:      |
| MAILING ADDRESS:  |        |             |
| PHYSICAL ADDRESS: |        |             |

**Pests – check all that apply**

- |                                              |                                         |
|----------------------------------------------|-----------------------------------------|
| <input type="checkbox"/> Terrestrial weeds   | <input type="checkbox"/> Insects        |
| <input type="checkbox"/> Aquatic weeds/pests | <input type="checkbox"/> Disease/Mildew |
| <input type="checkbox"/> Vertebrates         | <input type="checkbox"/> Other          |

**Commodity – enter acreage for all that apply**

|                           |    |                                      |    |                          |    |
|---------------------------|----|--------------------------------------|----|--------------------------|----|
| Pasture (irrigated)       | ac | Uncultivated, non-ag                 | ac | Pond or ditch            | ac |
| Rangeland (non-irrigated) | ac | Timber                               | ac | Grapes                   | ac |
| Other:                    | ac | Stone Fruit (peach, plum, nectarine) | ac | Pome Fruit (apple, pear) | ac |
| Vegetables, list:         | ac |                                      |    |                          |    |

**Who will be applying pesticides?**

- ☐ Myself ☐ Employees

**I understand I will have to file a report each month I use a commercial-grade pesticide. I plan to report by:**

- ☐ Free online use reporting, must include email above ☐ Paper form; faxed, mailed or walked in

**I am the landowner of the above identified property, or I have been authorized by the landowner and have attached the letter of authorization form as required.**

Signature:

Title:

Date:

**FOR OFFICE USE ONLY**

|               |       |
|---------------|-------|
| Op ID Number: | APN:  |
| Issue Date:   | MSTR: |
| Prepared By:  |       |
| v. 3/19       |       |



**COUNTY OF NEVADA  
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AGRICULTURAL COMMISSIONER**

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**APPLICATION FOR DEVICE REGISTRATION**

**Location Specific Information**

Business Name: \_\_\_\_\_

Physical Address: \_\_\_\_\_  
*Street, City, ZIP Code*

Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Business Phone: (     ) \_\_\_\_\_ Email: \_\_\_\_\_

**Corporate/Business Mailing Information – If same as above check here ☐**

Corporate Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
*Street, City, State, ZIP Code*

Contact: \_\_\_\_\_ Title: \_\_\_\_\_

Business Phone: (     ) \_\_\_\_\_ Email: \_\_\_\_\_

**Weighing or Measuring Device Information – use additional sheet if necessary**

| Device Type(s) | Make/Model | Serial Number | Equipment No, if applicable, ie truck #0001 |
|----------------|------------|---------------|---------------------------------------------|
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |
|                |            |               |                                             |

Start-Up Date (If already in use): \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_



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950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617  
(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Sean Powers, Agency Director

Agricultural Commissioner

Building

Code Compliance

Environmental Health

Farm Advisor

Planning

Public Works

**COMMERCIAL CANNABIS PERMIT**  
**PROOF OF APPLICATION BOND**

The County of Nevada requires a Certificate of Deposit from a commercial banking institution, in an amount of \$5,000.00, for all Cannabis Cultivation Permits (CCP) and Cannabis Administrative Development Permit (ADP) applications.<sup>1</sup> The purpose of the security is to ensure there is a source of funds to pay for replanting and restoration of a cultivation site to its original condition in the event of a failure of a business, enforcement costs, abatement costs or other unknown costs related to the cannabis cultivation operations.

- Certificates of Deposit must firmly bind the amount of \$5,000.00 U.S. dollars to the County of Nevada.
- Certificates of Deposit are pledged to the property and are bound to that property until such time the Cannabis permit is not valid and the County no longer has any claim to the funds.
- An original Certificate of Deposit bound to the County of Nevada must be submitted with this form.

I, \_\_\_\_\_ applicant(s) for a Commercial Cannabis Cultivation Permit (CCP) or a Cannabis Administrative Development Permit (ADP) on property located at,

Assessors Parcel Number (APN) \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_, do hereby acknowledge that I agree with the aforementioned requirement and have met the requirement for a \$5,000.00 (U.S. dollars) bond.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant

*It is unlawful to alter the substance of any official form or document of Nevada County*

<sup>1</sup> Section G.1.d.xxi of Section 3.30 of Article III of Chapter II of the Nevada County Land Use and Development Code

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**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
**Cannabis Compliance Division**

950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617  
(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Craig Griesbach, Director

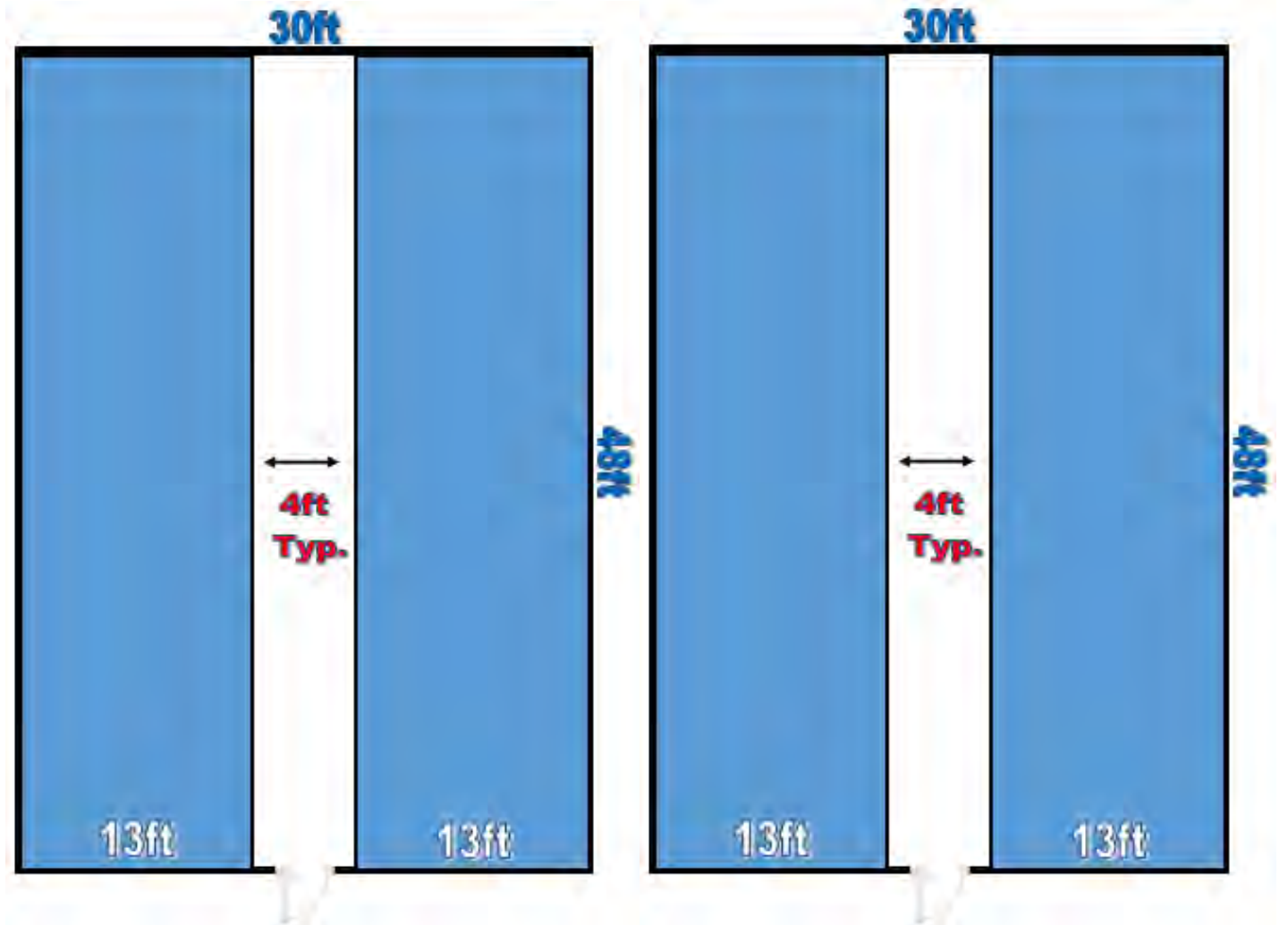
## COMMERCIAL CANNABIS PERMIT CANOPY GUIDANCE DOCUMENT

THE FOLLOWING DIAGRAMS ARE EXAMPLES OF ACCEPTABLE LAYOUTS FOR COMMERCIAL CANNABIS CULTIVATION CANOPIES. CANOPY DIMENSIONS SHALL BE IDENTIFIED BY CLEAR BOUNDARIES SUCH AS INTERIOR WALLS, SHELVES, GREENHOUSE WALLS, FENCING, ETC. **PLEASE KEEP IN MIND THAT IS NOT INTENDED TO DEFINE ALL TYPES OF CANOPY SIZES/DIMENSIONS ALLOWED BUT IS TO GIVE AN IDEA OF THE NUMBER OF CANOPY AREAS AS WELL AS TYPICAL LAYOUTS THAT CAN BE RELATED TO EACH PERMIT TYPE.**

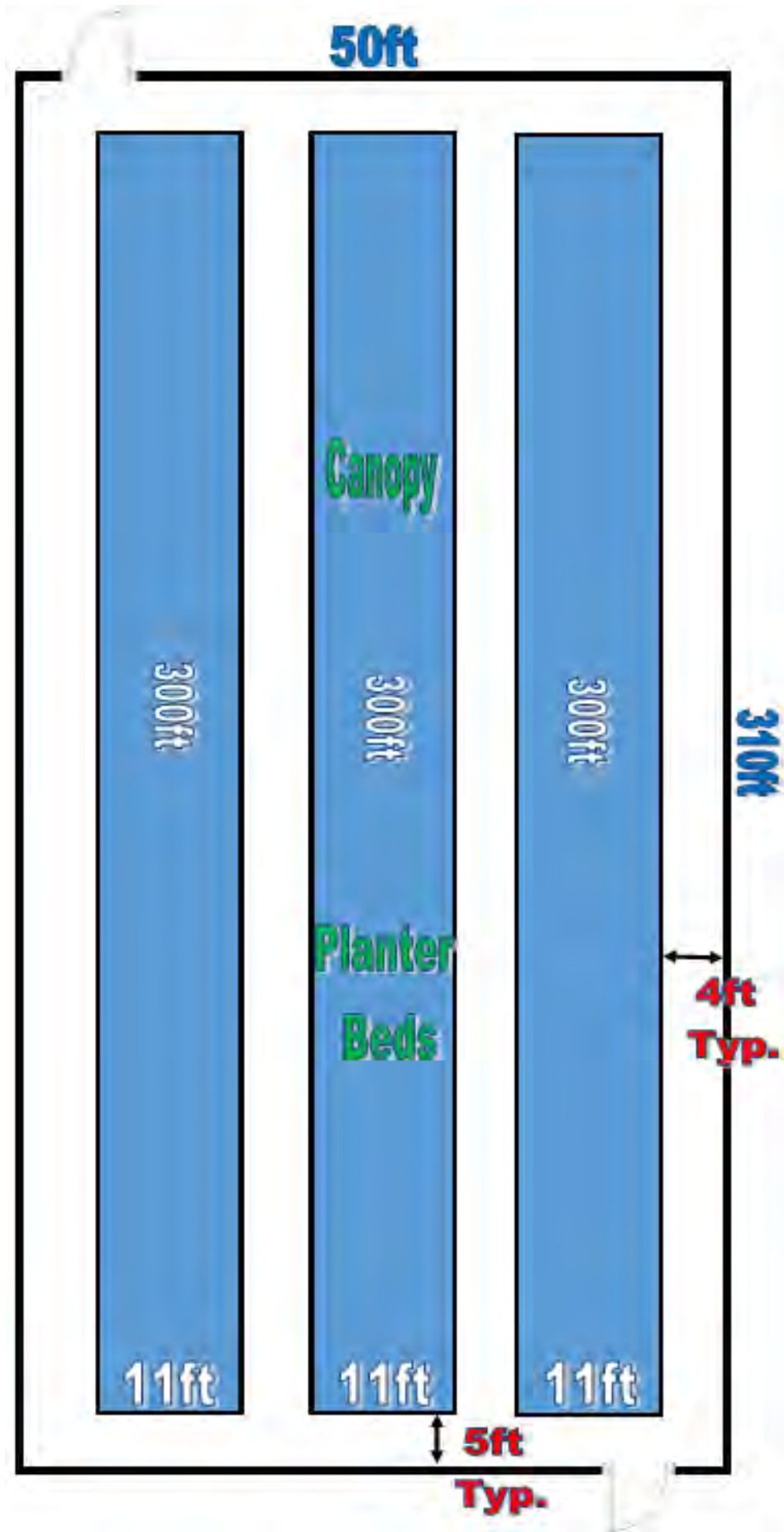
### SITE PLAN EXAMPLE FOR COMMERCIAL CULTIVATION CANOPY LAYOUT OF 10,000SQFT



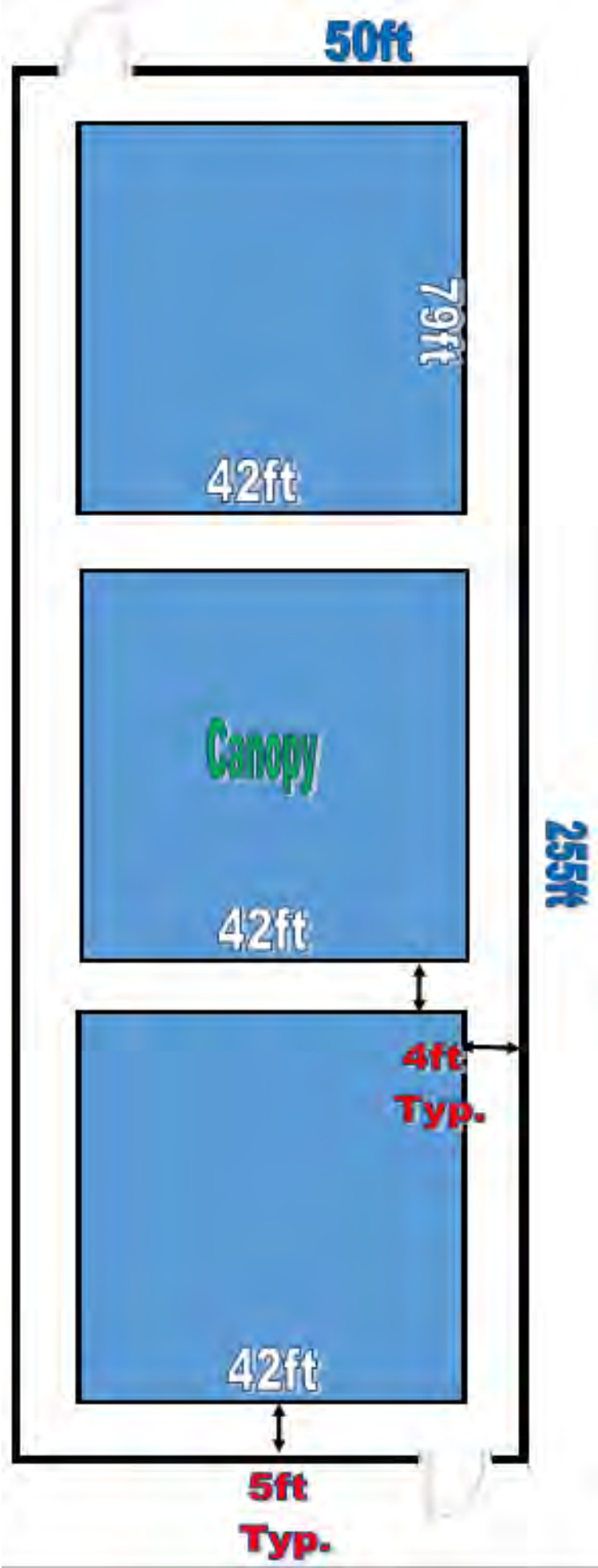
EXAMPLE OF COMMERCIAL CULTIVATION CANOPY LAYOUT OF 2,496SQFT  
LAYOUT WITH TWO GREENHOUSES



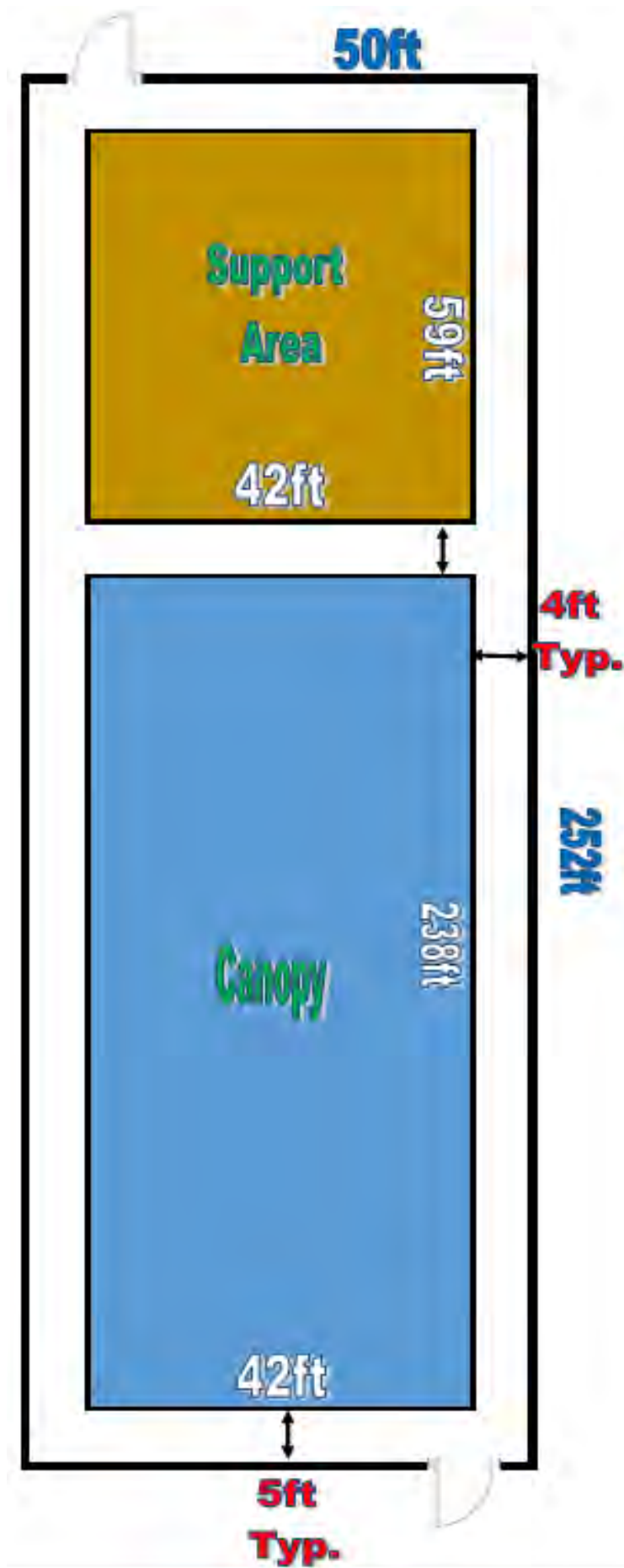
EXAMPLE OF COMMERCIAL CULTIVATION CANOPY LAYOUT OF 9,900SQFT



EXAMPLE OF COMMERCIAL CULTIVATION CANOPY LAYOUT OF 9,954SQFT



EXAMPLE OF COMMERCIAL CULTIVATION CANOPY LAYOUT OF 9,996SQFT  
SUPPORT AREA 2,478SQFT



## EXAMPLE OF COMMERCIAL CULTIVATION CANOPY LAYOUT OF 5,000SQFT



## EXAMPLE OF COMMERCIAL CULTIVATION CANOPY LAYOUT OF 10,000SQFT





**COUNTY OF NEVADA**  
**COMMUNITY DEVELOPMENT AGENCY**  
950 MAIDU AVENUE, SUITE 170, NEVADA CITY, CA 95959-8617  
(530) 265-1222 ~ FAX (530) 478-5799 <http://mynevadacounty.com>

Sean Powers, Agency Director

Agricultural Commissioner

Building

Code Compliance

Environmental Health

Farm Advisor

Planning

Public Works

**COMMERCIAL CANNABIS PERMIT**  
**PROOF OF APPLICATION BOND**

The County of Nevada requires a Certificate of Deposit from a commercial banking institution, in an amount of \$5,000.00, for all Cannabis Cultivation Permits (CCP) and Cannabis Administrative Development Permit (ADP) applications.<sup>1</sup> The purpose of the security is to ensure there is a source of funds to pay for replanting and restoration of a cultivation site to its original condition in the event of a failure of a business, enforcement costs, abatement costs or other unknown costs related to the cannabis cultivation operations.

- Certificates of Deposit must firmly bind the amount of \$5,000.00 U.S. dollars to the County of Nevada.
- Certificates of Deposit are pledged to the property and are bound to that property until such time the Cannabis permit is not valid and the County no longer has any claim to the funds.
- An original Certificate of Deposit bound to the County of Nevada must be submitted with this form.

I, \_\_\_\_\_ applicant(s) for a Commercial Cannabis Cultivation Permit (CCP) or a Cannabis Administrative Development Permit (ADP) on property located at,

Assessors Parcel Number (APN) \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_, do hereby acknowledge that I agree with the aforementioned requirement and have met the requirement for a \$5,000.00 (U.S. dollars) bond.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Applicant

*It is unlawful to alter the substance of any official form or document of Nevada County*

<sup>1</sup> Section G.1.d.xxi of Section 3.30 of Article III of Chapter II of the Nevada County Land Use and Development Code