



Monterey County Board of Supervisors

Board Order

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A motion was made by Supervisor Luis A. Alejo, seconded by Supervisor John M. Phillips to:

Resolution No.: 20 – 381

- a. Adopting a Mitigated Negative Declaration (MND) pursuant to Section 15074 of the California Environmental Quality Act (CEQA) Guidelines;
- b. Adopting a Mitigation Monitoring and Reporting Plan; and
- c. Accepting a checklist to be used with each individual property

PASSED AND ADOPTED on this 1st day of December 2020, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Parker and Adams

NOES: None

ABSENT: None

(Government Code 54953)

I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting December 1, 2020.

Dated: January 7, 2021
File ID: RES 20-207
Agenda Item No.: 14

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California

Joel G. Pablo, Deputy

*Before the Board of Supervisors in and for the
County of Monterey, State of California*

In the matter of the application of:

Multi-Site Cannabis Initial Study/Mitigated Negative Declaration

RESOLUTION NO. 20-381

- d. Adopting a Mitigated Negative Declaration)
(MND) pursuant to Section 15074 of the)
California Environmental Quality Act)
(CEQA) Guidelines;)
- e. Adopting a Mitigation Monitoring and)
Reporting Plan; and)
- f. Accepting a checklist to be used with each)
individual property.....)

The Multi-Site Cannabis Initial Study/Mitigated Negative Declaration (IS/MND) (REF150048) came on for public hearing before the Monterey County Board of Supervisors on November 17, 2020. Having considered all the written and documentary evidence, the administrative record, the staff report, oral testimony, and other evidence presented, the Board of Supervisors finds and decides as follows:

FINDINGS

1. **FINDING:** **PROJECT DESCRIPTION.** An Initial Study (IS)/Mitigated Negative Declaration (MND) has been prepared pursuant to the California Environmental Quality Act (CEQA) for 45 sites with pending applications for cannabis cultivation and processing located within the Salinas Valley in the unincorporated Monterey County.

EVIDENCE: a) At the time of consideration of this resolution, the County of Monterey has received 106 applications for land use entitlements to allow commercial cannabis operations on land in the unincorporated areas of Monterey County. Of those 106 applications, 75 applications are for commercial cannabis cultivation within existing greenhouses or industrial buildings in the unincorporated areas of Monterey County. The remaining 31 applications are for cannabis retailers, cannabis testing, manufacturing, outdoor cultivation, or distribution and do not include cultivation within existing greenhouses or industrial buildings. Prior to consideration of this resolution, and prior to receiving all 106 applications for commercial cannabis uses, the County approved 13 commercial cannabis cultivation entitlements, leaving 62 remaining permit applications pending (from the 75 total cultivation applications). Each of the 13 approved permits were individually found to be Categorical Exempt pursuant to CEQA. CEQA requires consideration of the effects of past, present, and reasonably probable future projects (cumulative considerations) when making a determination for individual projects (CEQA Guidelines Sections 15064(h), 15065(a)(3), and 15300.2(b)). With 62 remaining cultivation permits pending, in addition

to the 13 already approved, staff identified the need to review the potential cumulative effects of the cannabis permits on the whole rather than on a case-by-case basis, particularly in the areas that contain a higher concentration of greenhouses. The proposed IS/MND (**Attached as Attachment B to the November 17, 2020 staff report to the Board of Supervisors**) evaluates the potential cumulative effects of 45 sites that are proposed to cultivate cannabis within existing greenhouses or industrial buildings. The proposed project analyzed in the IS/MD is the 45 sites with pending applications listed in evidence b below. The adoption of the MND by this resolution is not an approval of the individual permit applications, each of which will be subject to future discretionary decisions in accordance with the appropriate decision-making processes.

- b) Specific sites with pending applications for cannabis cultivation and processing analyzed as part of this proposed IS/MND are listed below with the Assessor's Parcel Number and address:

137-141-011- 22785 Fuji Ln, Salinas, CA 93908

137-141-014 - 22750 Fuji Ln, Salinas, CA 93908

137-141-010 - 22835 Fuji Ln, Salinas, CA 93908

137-051-025 - 23760 Potter Road Salinas, CA 93908

137-051-039 - 23940 Potter Rd, Salinas, CA 93908

137-121-006 - 20180 Spence Rd, Salinas, CA 93908

137-111-014 - No address assigned, Salinas, CA 93908

137-111-015 – 25950 & 26000 Encinal Rd, Salinas, CA 93908

107-011-006 - 50 Zabala Rd, Salinas, CA 93908

137-141-013 - 22790 Fuji Ln, Salinas, CA 93908

137-061-026 - 26900 Encinal Rd, Salinas, CA 93908

153-011-060 - 18 Hartnell Rd, Salinas, CA 93908

153-011-058 - 2272 Alisal Rd, Salinas, CA 93908

137-111-031 - 25600 Encinal Rd, Salinas, CA 93908

137-121-022 - 20420 Spence Rd, Salinas, CA 93908

137-021-043 - 20510 Spence Rd, Salinas, CA 93908

137-051-024 - 23820 Potter Rd, Salinas, CA 93908

137-141-005 - 2338 Alisal Rd, Salinas, CA 93908

137-061-032 - 26500 Encinal Rd, Salinas, CA 93908

137-021-033 - 20800 Spence Rd, Salinas, CA 93908

137-111-033 - 25700 Encinal, Salinas, CA 93906

137-021-018 - 20954 Spence Rd, Salinas, CA 93908

153-011-059 - 2262 Alisal Rd, Salinas, CA 93908

137-121-023 - 20400 Spence Rd, Salinas, CA 93908

137-061-029 - 26800 Encinal Rd, Salinas, CA 93908

153-011-059 - 2242 Alisal Rd, Salinas, CA 93908

137-121-004 - 20220 Spence Rd, Salinas, CA 93908

149-031-038 - 26889 Encinal Rd, Salinas, CA 93908

137-121-010 & 137-121-013 - 20260 and 20250 Spence Rd, Salinas, CA 93908

137-121-012 - 20240 Spence Rd, Salinas, CA 93908

137-141-006 - 2340 Alisal Rd, Salinas, CA 93908

137-061-050 - 27020 Encinal Rd, Salinas, CA 93908

253-012-048 - 370 Espinosa Rd, Salinas, CA 93907

253-012-047 - 360 Espinosa Rd, Salinas, CA 93907

137-061-048 - 27040 Encinal Rd, Salinas, CA 93908

137-051-027 - 23640 Potter Rd, Salinas, CA 93908

137-141-015 - 22730 Fuji Ln, Salinas, CA 93908

211-021-014 - 398 Natividad Rd, #A, Salinas, CA 93906

137-121-005 - 20200 Spence Rd, Salinas, CA 93908

137-141-009 - 22900 Fuji Lane, Salinas, CA 93908

137-051-026 - 23700 Potter Rd, Salinas, CA 93908

167-041-006 - 1230 River Road, Salinas, CA 93908

269-061-014 - 26100 Old Stage Road, Gonzlaes, CA 93926

139-091-008 - 564 River Road, Salinas, CA 93908

137-121-016 - 2378 Alisal Rd, Salinas, CA 93908

The 45 project sites are located within in the Salinas Valley in northern unincorporated Monterey County. The majority (40) of the project sites are within a 15.75 square mile area located approximately one mile southeast of the City of Salinas and one mile east of U.S. Highway 101 (US 101). Three sites are located north of the City of Salinas. One is approximately one mile northeast and two are approximately one-mile northwest. Two sites are located between Chualar and Gonzales. One is located approximately 2.5 miles west of US 101 along River Road and the other site is located approximately 0.75 miles east of US 101 along Old Stage Road.

- c) These 45 sites covered in this IS/MND represent the majority of cannabis cultivation applications currently pending with the County. There are 17 sites that have an application pending that are not covered in this Initial Study (62 minus 45 = 17). A separate Initial Study is currently being prepared for the geographically distinct Northern Monterey County area (See CEQA Guidelines Section 15130 (b)(3)). That Initial Study will be circulated for public review and considered separately from this 45-site Salinas Valley area study. Any sites that are not evaluated in the attached IS/MND or in the North County IS (pending certification), will be evaluated individually under CEQA taking into account the cumulative contribution of each site as it relates to the cumulative analysis in the geographically applicable area (Salinas Valley or North County).
- d) For the proposed projects located on the sites listed in Evidence b above, a site specific checklist will be completed for each project to ensure that the individual projects are consistent with the assumptions made in the IS/MND if the project is relying upon the IS/MND for its

environmental review under CEQA. (**Attached as Attachment D to the November 17, 2020 staff report to the Board of Supervisors**).

2. **FINDING:** **CEQA (Mitigated Negative Declaration)** - On the basis of the whole record before the Monterey County Board of Supervisors, there is no substantial evidence that the proposed project as mitigated, will have a significant effect on the environment. The Mitigated Negative Declaration reflects the independent judgment and analysis of the County.
- EVIDENCE:**
- a) Public Resources Code Section 21080 and California Environmental Quality Act (CEQA) Guidelines Section 15060 provide a process for determining the type of environmental review required for projects.
 - b) 45 cannabis applicants agreed to fund the preparation of technical reports and an Initial Study that examines the potential cumulative effects on the environment of their cannabis applications. Cannabis applicants hired Rincon Consultants to prepare an Initial Study (IS) pursuant to CEQA. The preliminary draft IS was submitted to County staff for review. County staff reviewed and edited the preliminary draft IS working with Rincon Consultants, and it reflects staff's independent judgment and analysis. The Initial Study/MND, entitled Multiple Cannabis Cultivation Facilities in Unincorporated Monterey County, is attached as Attachment B to the November 17, 2020 staff report to the Board of Supervisors, is on file in the offices of Housing and Community Development, and is hereby incorporated by reference (REF150048).
 - c) The Initial Study identified a potentially significant impact on traffic, but the IS includes mitigation measures to reduce the impact to a level of insignificance. If individual applications rely on the MND for CEQA review, the County expects to require the proposed mitigation measures as conditions of permit approval.
 - d) All project changes required to avoid significant effects on the environment have been incorporated into the project and/or will be made conditions of approval on individual permits. A Condition Compliance and Mitigation Monitoring and/or Reporting Plan will be prepared in accordance with Monterey County regulations for each permit application that is approved, to ensure compliance during project implementation. Individual applicants must enter into an "Agreement to Implement a Mitigation Monitoring and/or Reporting Plan" as a condition of project approval for their individual projects.
 - e) The Draft Mitigated Negative Declaration ("MND") was prepared in accordance with CEQA and circulated for public review from June 17, 2020 through July 17, 2020 (SCH#: 2020060325).
 - f) Issues that were analyzed in the IS/Mitigated Negative Declaration include: aesthetics, agriculture and forest resources, air quality, biological resources, cultural resources, energy, geology/soils, greenhouse gas emissions, hazards/hazardous materials, hydrology/water quality, land use/planning, mineral resources, noise, transportation/traffic, tribal cultural resources, and utility/service systems.

- g) Potentially significant impacts to transportation were identified in the IS/MND. The 45 cannabis sites would degrade levels of service (LOS) at Old Stage Road and Spence Road intersection from LOS B to an unacceptable LOS E, and contribute to three already impacted intersections: US 101/Hartnell Road; US 101/Spence Road; and US 101/Potter Road. Cumulative LOS impacts from the project would occur at ten intersections and three roadway segments:

Intersections:

Boronda Road/N. Main Street;
Alisal Road/Hartnell Road;
Alisal Road/ Fuji Lane;
Alisal Road/ Old Stage Road;
Old Stage Road/Spence Road;
Old Stage Road/Encinal Road;
Old Stage Road/Potter Road;
US 101/Hartnell Road;
US 101/Spence Road; and
US 101/Potter Road.

Roadway Segments:

US 101 between Prunedale Road and Sala Road;
US 101 between Sala Road and Boronda Road; and
US 101 between Boronda Road and Laurel Drive

Mitigation measures will be applied to each individual project that reduce the potential impacts at each intersection and roadway segment to a less than significant level. Mitigation Measures include:

TRA – 1 Fair Share contribution for Old Stage Road/Spence Road intersection. (This mitigation addresses the Tier 1 traffic impacts)

TRA – 2 Payment of the Transportation Agency of Monterey County Regional Development Impact Fee.

TRA – 3 Fair Share fee contribution for Cumulative Traffic Impacts on County Roads.

- h) Evidence that has been received and considered includes: A Traffic Impact Study prepared by Ick Engineering Company, CalEEMod outputs with estimated emissions, staff reports that reflect the County's independent judgment, and information and testimony presented during public hearings.
- i) Staff analysis contained in the Initial Study and the record as a whole indicate some or all of the 45 applications considered in the Initial Study could result in changes to the resources listed in Section 753.5(d) of the California Department of Fish and Game (CDFG) regulations. All land development projects that are subject to environmental review are subject to a State filing fee plus the County recording fee, unless the Department of Fish and Game determines that the project will have no effect on fish and wildlife resources. For purposes of the Fish and Game Code, the 45 projects analyzed in the IS/MND may have a significant adverse impact on the fish and wildlife resources upon which the wildlife depends. The Initial Study was sent to the California Department of Fish and Game for review, comment, and to recommend necessary conditions to protect biological resources in this area. Therefore, the State fee plus a fee payable to the Monterey County

Clerk/Recorder for processing said fee and posting the Notice of Determination (NOD) will be required.

- j) During the public review period, comments on the IS/MND were submitted by CalCannabis, CalTrans, and the Monterey Bay Air Resources District. The County has considered the comments received during the public review period. Responses to comments have been prepared and minor revisions to the IS/MND that clarify and amplify the analysis have been incorporated to address the comments. Revisions made to the IS/MND include: Clarifying site specific information for each of the 45 sites analyzed including amplification of the discussion on current and historic uses of each site and creation of a checklist that will be completed for each specific project analyzed in the IS/MND; Correction to the number of employees for each site; Update to the list of responsible agencies; Identification of other cannabis sites not included in the IS/MND; and clarification of air district permit requirements. The clarifications and amplifications do not alter the conclusions in the IS/MND. As such, recirculation of the IS/MND was not required pursuant to Section 15073 of the CEQA Guidelines. Revisions to the IS/MND are shown in ~~strikeout~~ and underline and are more fully described in the Response to comments document attached to the Staff report (See also Evidence 1 below).
- k) Mitigation measures TRA-1 and TRA-3 have been revised following the public review period on the IS/MND. The revised mitigation measures are equivalent or more effective in mitigating potential effects on traffic. Revisions to the mitigation measure TRA-1 include amending the timing for construction of improvements to the Old Stage Road/Spence Road intersection and the method of collecting fair-share contributions from individual applicants. Completion of the identified improvements was to be completed by the County of Monterey after all fair-share contributions had been collected by applicants covered in the IS/MND. As revised TRA-1 would instead require completion of improvements by the County, with fair-share contributions paid by individual applicants to reimburse the County for costs of the intersection improvements. Changes to the TRA-1 also include an increase to the fair-share contribution amounts for each applicant covered in the Initial Study based on updated costs for intersection improvements and removal of references allowing payment of fair-share contributions in phases and instead requiring payment of the total fair-share contribution prior to issuance or renewal of commercial cannabis business permits. This change is more effective in mitigating the direct traffic impacts at the time the impacts are created. Similarly, mitigation measure TRA-3 has been revised to amend the timing and responsibility of improvements to intersections for cumulative impacts. TRA-3 identified completion of improvements to identified intersections by the County of Monterey after collection of fair-share contributions. As revised TRA-3 would include incorporating identified intersection improvements in the County-wide traffic impact fee program. The changes did not revise the identified improvements and did not revise the contributions required by individual applicants to fund those improvements. The revised mitigation measures will not cause any potentially significant effect on

the environment. A public hearing was held on the MND on November 17, 2020 in which the addition/substitution of the mitigation measures were addressed. The new mitigation measures will be incorporated into the conditions of approval for each individual project covered by this IS/MND.

- l) In response to comments received by CalCannabis, a checklist has been developed. (Exhibit 2, attached hereto and incorporated herein by reference.) The checklist is to be completed for each individual project covered in this IS/MND. The checklist will provide site specific information requested by CalCannabis for each application and will provide a mechanism to ensure that the impacts of the individual projects are in keeping with the analysis and assumptions included in the IS/MND.
- m) Monterey County Housing and Community Development , located at 1441 Schilling Place, 2nd Floor, Salinas, California, 93901, is the custodian of documents and other materials that constitute the record of proceedings upon which the decision to adopt the Mitigated Negative declaration is based.

DECISION

NOW, THEREFORE, based on the above findings and evidence, the Board of Supervisors does hereby:

1. Adopt the Mitigated Negative Declaration for Multiple Cannabis Cultivation Facilities in Unincorporated Monterey County;
2. Adopt the Mitigation Monitoring and Reporting Program, attached hereto as Exhibit 1 and incorporated herein by reference; and
3. Accept the checklist to be used with each individual permit application, attached as Attachment D to the staff report, and incorporated herein by reference.

PASSED AND ADOPTED on this 1st day of December 2020, by roll call vote:

AYES: Supervisors Alejo, Phillips, Lopez, Parker and Adams

NOES: None

ABSENT: None

(Government Code 54953)

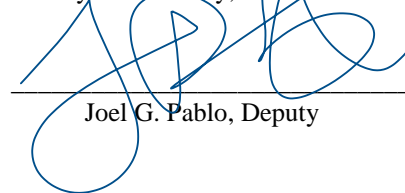
I, Valerie Ralph, Clerk of the Board of Supervisors of the County of Monterey, State of California, hereby certify that the foregoing is a true copy of an original order of said Board of Supervisors duly made and entered in the minutes thereof of Minute Book 82 for the meeting December 1, 2020.

Dated: January 7, 2021

File ID: RES 20-207

Agenda Item No.: 14

Valerie Ralph, Clerk of the Board of Supervisors
County of Monterey, State of California



Joel G. Pablo, Deputy

This decision, if this is the final administrative decision, is subject to judicial review pursuant to California Code of Civil Procedure Sections 1094.5 and 1094.6. Any Petition for Writ of Mandate must be filed with the Court no later than the 90th day following the date on which this decision becomes final.

Attachment 1

Mitigation Monitoring and Reporting Plan for Multiple Cannabis Cultivation Sites

TRA-1 (FAIR SHARE CONTRIBUTION – DIRECT IMPACT):

Prior to the issuance or renewal of commercial cannabis permits, a fair share contribution to reimburse the County for intersection improvements, in the amount specified by the Director of Public Works, Parks, and Facilities, shall be paid. Improvements to the intersection shall be completed prior to the issuance of commercial cannabis permits that allow new or expanded commercial cannabis activities impacting the intersection.

- *Old Stage Road/Spence Road:* Widen Spence Road for separate right turn lane and shared through-left lane for the NB approach.

Fees shall be paid in accordance with the square footage of cultivation building areas approved in the Planning entitlements for each site. To ensure that the improvements are constructed, the County will construct the improvements to the intersection after following all applicable rules and regulations governing the construction of the intersection improvement project.

Compliance Action:

Prior to issuance or renewal of a commercial cannabis permit, a fair share contribution to reimburse the County for intersection improvements, in the amount specified by the Director of Public Works, Parks, and Facilities, shall be paid.

Construction of improvements to the Old Stage Road/Spence Road intersection identified in Appendix H of the Traffic Impact Study prepared for the Multiple Cannabis Cultivation Facilities Initial Study (State Clearinghouse Number: 2020060325), shall be constructed prior to the issuance or renewal of commercial cannabis permits that allow new or expanded commercial cannabis activities impacting the intersection.

TRA-2 (PAYMENT OF THE TAMC RDIF FEE):

Prior to the issuance or renewal of the commercial cannabis permits, each project applicant shall pay the TAMC RDIF. Payment of the fee will help fund improvements to the following intersections and road segments:

- *US 101/Hartnell Road, US 101/Spence Road, US 101/Potter Road:* Regional Improvement Project #7 US-101-South County Phase 1 to eliminate the at-grade highway crossings and construct a two-lane frontage road on the east side of US 101 from Harris Road to Chualar where the frontage road will link a new interchange to Harris Road/US 101
- *US 101 between Prunedale Road and Sala Road:* US 101 capacity improvements with the City of Salinas.
- *US 101 between Sala Road and Boronda Road:* US 101 capacity improvements with the City of Salinas.
- *US 101 between Boronda Road and Laurel Drive:* US 101 capacity improvements with the City of Salinas.

Fees shall be paid in accordance with the square footage of cultivation building areas approved in the Planning entitlements for each site. If approved as part of a phased development, the traffic fee may be paid in increments corresponding to the timing and square footage of cultivation building area approved in each phase of development. Such timing and square footage shall be denoted as a condition of approval for each project proposing a phased cultivation plan. Adjustments to the phasing schedule can be approved by the Chief of Planning.

Compliance Action:

Prior to the issuance or renewal of the commercial cannabis permits, each project applicant shall pay the TAMC RDIF.

TRA – 3 (CUMULATIVE IMPACT FEES):

Prior to the issuance or renewal of the commercial cannabis permits, each applicant shall pay its fair contribution to the County in the amount specified in Appendix H of the Traffic Impact Study (“Cumulative Impacts Fee”). Fees paid will help fund improvements to the following intersections to be added to the County-wide fee program:

- *Boronda Road/N. Main Street:* Modify the existing traffic signal equipment to provide for a right-turn overlap signal phase for the SB approach
- *Alisal Road/Hartnell Road:* Install a traffic signal. Widen the NB approach with single left-turn and single right-turn lanes, EB approach with a single shared through-right lane, and WB approach with single left-turn and single through lanes.
- *Alisal Road/Fuji Lane:* Widen the NB approach to include single left-turn and single right-turn lanes, the EB approach to include a single shared through-right lane, and the WB approach to include single left-turn and single through lanes.
- *Alisal Road/Old Stage Road:* Widen the SB approach to include single left-turn and single right-turn lanes, the EB approach to include single left-turn and single through lanes, and the WB approach to include single through and single right-turn lanes.
- *Old Stage Road/Spence Road:* Install a traffic signal. Widen the NB approach to include single shared left-through and single right lanes, the EB approach to include single left-turn and single shared through-right lanes, and the WB approach to include single left-turn and single shared through-right lanes.
- *Old Stage Road/Encinal Road:* Install a traffic signal. Widen the NB approach to include single left-turn and single right-turn lanes, the EB approach to include single through and single right-turn lanes, and the WB approach to include single left-turn and single through lanes.
- *Old Stage Road/Potter Road:* Widen the NB approach to include single left-turn and single right-turn lanes, the EB approach to include a single shared through-right lane, and the WB approach to include single left turn and single through lanes.

Fees shall be paid in accordance with the square footage of cultivation building areas approved in the Planning entitlements for each site. If approved as part of a phased development, the traffic fee may be paid in increments corresponding to the timing and square footage of cultivation building area approved in each phase of development. Such timing and square footage shall be denoted as a condition of approval for each project proposing a phased cultivation plan. Adjustments to the phasing schedule can be approved by the Chief of Planning. The County shall collect cumulative impact funds and ensure that the impacted intersections are addressed in regional nexus study updates when the County-wide traffic fees are updated.

Compliance Action:

Prior to the issuance or renewal of commercial cannabis permits, each applicant shall pay its fair share contribution in the amount that is specified in Appendix H of the Traffic Impact Study prepared for the Multiple Cannabis Cultivation Facilities Initial Study (State Clearinghouse Number: 2020060325) to address cumulative impacts on the impacted intersections.