Exhibit E

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MONTEREY COUNTY
HOUSING AND COMMUNITY DEVELOPMENT
PLANNING
1441 SCHILLING PLACE, 2nd FLOOR, SALINAS, CA 93901
PHONE: (831) 755-5025/FAX: (831) 757-9516

INITIAL STUDY

I. BACKGROUND INFORMATION

Project Title:	Moss Landing Commercial Park LLC
File No.:	PLN160401
Project Location:	7697 Highway 1, Moss Landing
Name of Property Owner:	Moss Landing Commercial Park, LLC
Name of Applicant:	Moss Landing Commercial Park, LLC
Assessor's Parcel Number(s):	133-172-013-000
Acreage of Property:	182.74 acres (total acreage of the commercial park)
General Plan Designation:	Industrial – Coast Dependent - Heavy
Zoning District:	Heavy Industrial – Coastal Zone (HI[CZ]) and Resource Conservation – Coastal Zone (RC[CZ])
Lead Agency:	County of Monterey HCD-Planning
Prepared By:	County of Monterey HCD-Planning
Date Prepared:	April 2022 REVISED November 15, 2022
Contact Person:	Anna Quenga, AICP, Principal Planner or Fionna Jensen, Associate Planner Monterey County HCD-Planning Phone: (831) 755-5175

Email: QuengaAV@co.monterey.ca.us

Figure 1 Regional Location

Project Location

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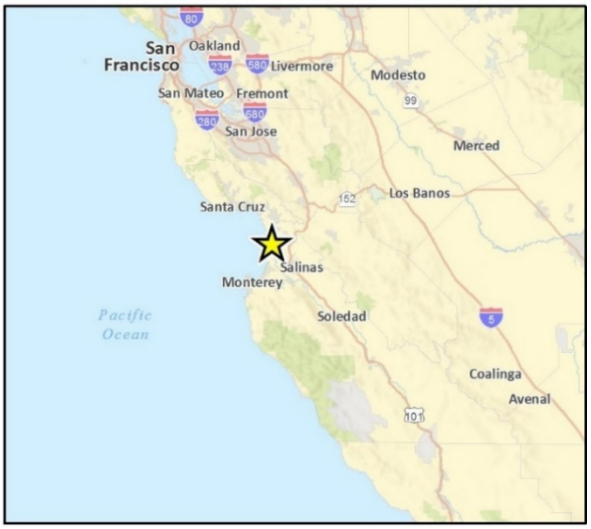


Figure 2 Project Location

II. DESCRIPTION OF PROJECT AND ENVIRONMENTAL SETTING

A. Description of Project:

Background. In March 2018, the North County Land Use Plan was amended to allow limited commercial cannabis activities within existing industrial buildings at the subject property, the Moss Landing Commercial Park. The Monterey County Coastal Implementation Plan, Part 2, Regulations for Development in the North County Land Use Plan Area, was also amended (Ordinance No. 5299) to specify that limited agricultural uses, including commercial cannabis activities, may be permitted within existing industrial infrastructure at the former Kaiser National Refractories site subject to a Coastal Development Permit (CDP) until a long-range master plan is completed that governs the site (i.e. through an updated certified Moss Landing Community Plan) or until January 1, 2023, whichever comes first. No environmental review was conducted for the Coastal Implementation Plan amendment.

Therefore, a CDP to allow commercial cannabis activities within the existing structures on the subject site was prepared in accordance with the above-mentioned ordinance. Granting of the CDP would include approval of the establishment of commercial cannabis operations within 5 vacant buildings and after-the-fact approval of the existing commercial cannabis operations within 23 buildings, which are currently operating under Department of Cannabis Control provisional licenses.

Project Description. The project site contains 34 existing industrial and warehouse structures, 23 of which contain existing commercial cannabis operations. The proposed project would allow all existing cannabis activities to continue operation (23 buildings), establish commercial cannabis operations within 5 existing vacant buildings, and allow for the ongoing reuse of these 28 structures for commercial cannabis activities (cultivation, processing, manufacturing [non-volatile and volatile], and distribution). There would be no change in use in the remaining 6 buildings. ~~The project consists of a Coastal Development Permit and General Development Plan to allow the after-the-fact approval for reuse of existing industrial and warehouse structures with commercial cannabis businesses which include cultivation, manufacturing, packaging and distribution. The project is limited to permitting the change of use within 5 of the 34 existing structures.~~ Construction permits for ~~tenement~~ tenant improvements addressing health, life and safety building code related issues have been issued and this work has commenced as of preparation of this Initial Study. Additional tenant improvements associated with repurposing the 5 vacant buildings for cannabis activities are anticipated. **Figure 3** below shows the project site plan with existing structures. **Table 1** below shows historic and proposed uses for the site's structures, as well as building square footage and proposed employment.

The Moss Landing Commercial Park General Development Plan, as amended, (GDP) was prepared in October 2018 (see Appendix A) in accordance with Moss Landing Community Plan Policy 5.5.2.2 and Monterey County Code Section 20.28.030, which requires approval of a GDP prior to the establishment of any development in the Heavy Industrial district if there is no prior approved GDP and if the lot is in excess of one acre. The GDP describes the site's existing and proposed uses, provides project details, and states that the objective of the project is to redevelop the industrial complex utilizing existing structures into an economically viable multi-tenant

agricultural, commercial and industrial lease space. The GDP does not propose development on the parcel westward of Highway 1 (APN: 133-173-006-000), which is a portion of the Moss Landing Commercial Park.

Proposed Site Improvements. The repurposing of existing industrial structures would involve building and building-infrastructure improvements to allow for the cultivation, manufacturing, processing, and distribution. ~~the cultivation and processing~~ of cannabis. Plant production would be year-round and would require support for development, including light, water, trimming, and ventilation. Construction permits for tenant improvements have been issued for the majority of the structures with existing commercial cannabis operations. However, future tenant improvements within these structures may be required for a change of cannabis operation (i.e., transitioning from cultivation to solely manufacturing). Ventilation systems with carbon filters for odor prevention have been installed within the currently operating structures and would be installed in additional areas of the existing structures as growing expands. Horticultural lighting systems have been installed within each growing area to provide access to light during different stages of plant development. Exterior lighting improvements and roof-mounted photovoltaic improvements shall be provided in final building plans.

~~**Buildout Potential**~~**Existing Conditions.** Of the 34 structures on the project site (approximately 385,070 square feet), 23 (approximately 332,973 square feet) are currently used for cannabis cultivation, processing, manufacturing, and/or distribution. Per State of California licensing categories, cultivation operations at the site would be Type 1A or "specialty indoor" designation and Type 3A or "indoor" designation. A Type 1A license is for indoor cultivation using exclusively artificial lighting of between 501 and 5,000 square feet of total canopy size. A Type 3A license is for indoor cultivation using exclusively artificial lighting and having a total canopy area between 10,001 and 22,000 square feet on one premises. Manufacturing operations would be Type 6, "Manufacturer 1" (manufacturing with nonvolatile solvents) or Type 7, "Manufacturer 2" (manufacturing with volatile solvents) and distribution operations would be under the Type 11 or "distributor" designation. The square footages listed on the proposed General Development Plan are inconsistent with the records obtained from HCD-Building Services, and therefore to be conservative, this Initial Study includes the square footage detailed in the various building permit application forms and materials for this site.

The remaining 11 structures include research and development laboratories and institutes, ocean-related research and operations, office space, and storage and warehouse facilities~~. which would remain in operation~~.

Potential Buildout. The existing 23 structures utilized for commercial cannabis activities would remain in operation. Five of the 11 remaining structures, which are currently used for storage, would be used for commercial cannabis activities. The proposed project would allow all commercial cannabis activities to occur within 28 of the 34 buildings and for tenants to change cannabis activities (cultivation, processing, manufacturing and/or distribution) without the need for separate future discretionary or environmental review, subject to being found consistent with the Coastal Development Permit, General Development Plan, and this Initial Study. Tenant improvements would be limited to interior changes only. No ground disturbance would occur. To conservatively analyze the full impact of this proposed project, this Initial Study analyzes the

most intensive commercial cannabis activity per potential resource impact. For the purpose of this Initial Study, it is assumed that commercial indoor cannabis cultivation would be the most intensive activity in terms of potential impacts to Air Quality, Energy, Greenhouse Gasses, and Utilities and Service Systems. Cannabis Manufacturing would be the most intensive activity in relation to the potential impacts to Hazards and Hazardous Materials. All other resource area's potential impacts do not have a specific intensive cannabis activity and are therefore analyzed based on impacts from all commercial cannabis activities (cultivation, manufacturing, distribution.) Although potential impacts to Transportation would be greatest for commercial cannabis distribution, the International Transportation Engineers manual does not distinguish one cannabis activity from another. Commercial cannabis retail is not an allowed use in the Heavy Industrial Zoning District and therefore not analyzed in this document. Square footage for maximum buildout for commercial cannabis cultivation, processing, distribution, and manufacturing activities are shown below in **Table 1.**

Operations. Cannabis cultivation requires minimal staffing until the plants are harvested. Plants are watered by drip irrigation and light is controlled by timers during the growing stage of development. Plants are processed by cutting, trimming, and drying. The manufacturing stage of production requires seasonal staff members. The dried product is then packaged on-site and preparation for distribution. The existing 34 structures have a ~~an average~~ total of 262 employees. Hours of operation vary by site but would ~~fall~~ decline within the hours of 7 AM and 7 PM daily.

Energy. Monterey Bay Community Power (MBCP) provides electricity supply to the project site. Pacific Gas & Electric (PG&E) provides electricity transmission. The project site includes a 12-kW privatized electrical system. Energy improvements, including transformers, have been installed and are maintained by the landowner.

Cultivation equipment, particularly the lighting and climate control equipment required for indoor operations, requires a relatively large amount of energy (primarily electricity). Specific energy uses in indoor grow operations include high-intensity lighting, dehumidification to remove water vapor and avoid mold formation, space heating or cooling during non-illuminated periods and drying processes, preheating of irrigation water, generation of CO_2 from fossil fuel combustion, and ventilation and air conditioning to remove waste heat. Lighting is the greatest contributor to energy use (Source: IX:20). Reliance on equipment can vary widely as a result of factors such as plant spacing, layout, and the surrounding climate of a given facility.

Monterey County Code Section 20.67.050.B.9 states that "On-site renewable energy generation shall be required for all indoor cultivation activities. Renewable energy systems shall be designed to have a generation potential equal to or greater than one half of the anticipated energy demand." In accordance with this regulation, roof-mounted photovoltaic solar panels (see preliminary plans in **Figure 4** below) providing approximately 109,000 Kw of energy per month are proposed. No ground disturbance is assumed for this project component. The GDP includes establishment of a 5-megawatt ground-mounted solar power system on an unidentified 12 acre portion of the property as a potential future use requiring a separate entitlement. As such, environmental impacts relative to this future use would be analyzed through a separate CEQA document.

Water. Water supply for irrigation, processing, and domestic use would be provided by Pajaro Sunny Mesa Community Services District through the Moss Landing Harbor District Water System. Water would be utilized via drip-irrigation systems for cultivation and via plumbing for fire suppression and restrooms.

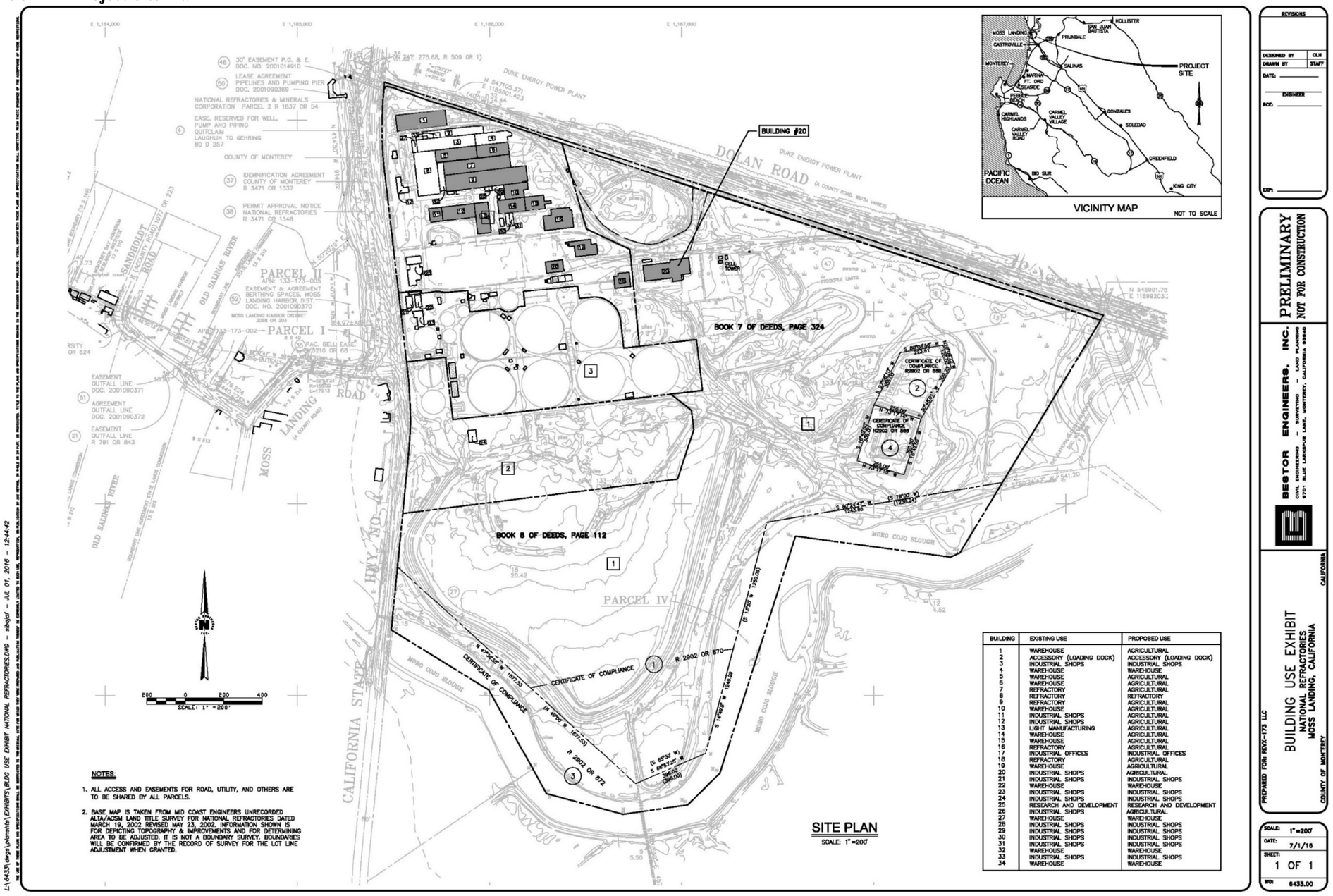
Solid Waste. Any municipal solid waste generated at the project site is contained in dumpsters on site and serviced by the Monterey Regional Waste Management District (MRWMD). Solid waste is hauled in contract with Waste Management (WM). Plant trimming waste would be minimized by composting requirements pursuant to Department of Cannabis Control (DCC) section 16309 and Public Resources Code §17223 requiring a cannabis waste management plan, which may include composting cannabis waste in compliance with title 14 of California Code of Regulations, division 7, chapter 3.1. This cannabis waste management plan would need to be submitted to the DCC with annual application for cultivation license. Onsite composting is possible but not required for the project sites; most green waste would be self-hauled and disposed of offsite, for composting at a landfill. The County does not allow for burning of cannabis waste on the project sites.

Wastewater. All sanitary sewage would be contained in 7 on-site septic systems throughout the project site. Existing and proposed use of septic tanks would result in an overloading of septic tanks 2 and 3. As such, an operation plan demonstrating adequate employee restroom access within 200 feet information would be required to assure long-term, safe, and adequate wastewater service. No improvements to the septic system are proposed.

Site Access. The project site is accessible by an existing driveway off Dolan Road, approximately 0.33-mile east of Highway 1. The driveway has a staffed gate providing controlled access. No new access is proposed.

Parking. Paved surface parking areas are located at the northern portion of the site, adjacent to the existing structures. Parking areas may also ~~include~~ be utilized for ~~fencing and~~ outdoor storage of equipment and materials. The outdoor storage areas would use temporary fences to provide screening from the public right of way. No parking or roadway improvements are proposed.

Figure 3 Project Site Plan



BUILDING	EXISTING USE	PROPOSED USE
1	WAREHOUSE	AGRICULTURAL
2	ACCESSORY (LOADING DOCK)	ACCESSORY (LOADING DOCK)
3	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
4	WAREHOUSE	WAREHOUSE
5	WAREHOUSE	AGRICULTURAL
6	WAREHOUSE	AGRICULTURAL
7	REFRACTORY	AGRICULTURAL
8	REFRACTORY	REFRACTORY
9	REFRACTORY	AGRICULTURAL
10	WAREHOUSE	AGRICULTURAL
11	INDUSTRIAL SHOPS	AGRICULTURAL
12	INDUSTRIAL SHOPS	AGRICULTURAL
13	LIGHT MANUFACTURING	AGRICULTURAL
14	WAREHOUSE	AGRICULTURAL
15	WAREHOUSE	AGRICULTURAL
16	REFRACTORY	AGRICULTURAL
17	INDUSTRIAL OFFICES	INDUSTRIAL OFFICES
18	REFRACTORY	AGRICULTURAL
19	WAREHOUSE	AGRICULTURAL
20	INDUSTRIAL SHOPS	AGRICULTURAL
21	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
22	WAREHOUSE	WAREHOUSE
23	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
24	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
25	RESEARCH AND DEVELOPMENT	RESEARCH AND DEVELOPMENT
26	INDUSTRIAL SHOPS	AGRICULTURAL
27	WAREHOUSE	WAREHOUSE
28	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
29	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
30	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
31	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
32	WAREHOUSE	WAREHOUSE
33	INDUSTRIAL SHOPS	INDUSTRIAL SHOPS
34	WAREHOUSE	WAREHOUSE

REVISIONS
DESIGNED BY CLH
DRAWN BY STAFF
DATE:
ENGINEER
RCE:
EXP:

PRELIMINARY NOT FOR CONSTRUCTION

BEGTOR ENGINEERS, INC.
CIVIL ENGINEERING - SURVEYING - LAND PLANNING
9701 BLUE LARKSPUR LANE, MONTEREY, CALIFORNIA 93940

PREPARED FOR: REVZ-173 LLC

BUILDING USE EXHIBIT
NATIONAL REFRACTORIES
MOSS LANDING, CALIFORNIA
COUNTY OF MONTEREY CALIFORNIA

SCALE: 1"=200'
DATE: 7/1/16
SHEET: 1 OF 1
WO: 6433.00

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Table 1. Baseline vs Proposed Uses of the Moss Landing Commercial Park

Building #	Square footage	Baseline Land Use	Proposed Land Use	Existing Employee	Proposed Employees*
1	21,156	Agriculture	Agriculture	14	14
2	9,450	Agriculture	Agriculture	20	20
3	22,834	Agriculture	Agriculture	9	9
4	10,200	Agriculture	Agriculture	9	9
5	22,835	Agriculture	Agriculture	8	8
6	11,056	Agriculture	Agriculture	4	4
7	26,950	Agriculture	Agriculture	8	8
8	23,360	Research/Dev.	Research/Dev.	10	10
9	12,135	Agriculture	Agriculture	10	10
10	9,250	Agriculture	Agriculture	5	5
11	9,237	Industrial Shop	Industrial Shop	4	4
12	10,326	Agriculture	Agriculture	7	7
13	11,235	Agriculture	Agriculture	53	53
14	9,800	Agriculture	Agriculture	5	5
15	7,000	Agriculture	Agriculture	5	5
16	14,817	Agriculture	Agriculture	8	8
17	2,770	Office	Office	5	5
18	19,998	Agriculture	Agriculture	4	4
19	13,612	Agriculture	Agriculture	10	10
20	41,182	Agriculture	Agriculture	30	30
21	1,800	Warehouse	Agriculture	0	2
22	1,800	Warehouse	Agriculture	0	2
23	2,400	Warehouse	Agriculture	0	2
24	2,400	Warehouse	Storage	0	0
25	6,800	Agriculture	Agriculture	7	7
26	19,200	Agriculture	Agriculture	5	5
27	5,575	Agriculture	Agriculture	8	8
28	13,529	Agriculture	Agriculture	5	5
29	12,403	Agriculture	Agriculture	3	3
30	1,360	Warehouse	Agriculture	0	1
31	1,360	Warehouse	Agriculture	0	1
32	5,385	Storage	Storage	0	0
33	1,630	Agriculture	Agriculture	6	6
34	225	Storage	Storage	0	0
Total:	**385,070**			**262**	**273**

***Table 1**. Summary of the square footage, land use (baseline and proposed) and employee count per building. Proposed change in uses are highlighted with red text. *The GDP does not include the proposed employee count for existing warehouses being repurposed for commercial cannabis activities (Building No(s). 21, 22, 23, 30 and 31). The proposed employee count for these buildings is therefore based on a California Department of Food and Agriculture study which determined that indoor growing operations had full time equivalent employment of 0.88 FTE per 1,000 square feet of operations; this number is rounded up to the nearest whole number.*

Figure 4. Preliminary Solar Plan

B. Surrounding Land Uses and Environmental Setting:

Setting. The subject property is irregularly shaped, as shown in Figure 2, and is bounded by Highway 1 and Moss Landing Harbor to the west, Dolan Road and energy facilities to the north, open space and agriculture to the east, and the Moro Cojo Slough and agriculture to the south. A separate parcel (APN 133-172-004-000), 3.75 acres in size and zoned Heavy Industrial, Coastal Zone or "HI(CZ)", is inset in the eastern portion of the site.

The northwestern portion of the site contains industrial development. Approximately half of the site is developed with 34 buildings, 23 of which are currently used for commercial cannabis business operations. The developed portion of the site also contains asphalt paving, water tanks, a wireless communication facility, and drainage culverts, onsite wastewater treatment systems (OWTS), and 7 tanks previously used for manufacturing gypsum and biodiesel. South of the 7 tanks is "Tailings Pond," an approximately 28-acre area where magnesium hydroxide was deposited by previous industrial operations. Magnesium hydroxide waste forms a white layer on the ground throughout this portion of the site, with minimal vegetation. The eastern portion of the site is undeveloped wetlands and covered in ice plant. Cypress and eucalyptus trees buffer the site from Highway 1 and Dolan Road, with additional trees scattered throughout the eastern portion of the site.

Background. From the mid-1900s until 2002, the subject property was used by Kaiser Aluminum Refractories and then the National Refractories and Minerals Corporation to produce magnesium oxide, specialties containing magnesium oxide and refractory brick. In 2003, the parcel was bought by the Moss Landing Commercial Park LLC. The Moss Landing Cement

Company, LLC, a subsidiary of Calera Corporation, operates the cement plant. The existing structures were used for research and the production of "green" cement. In 2015, commercial cannabis operations began to occur within the existing structures.

General Plan Land Use Designation. Moss Landing Community Plan (MLCP), Figure 2, designates the project site as Industrial – Coast Dependent – Heavy. The Coastal Heavy Industry designation is to accommodate and allow heavy industrial uses within the plan area that are coastal-dependent and/or coastal related. MLCP General Policy 5.5.2.2 refers to the subject property as the "Kaiser Refractories," and requires approval of a facility master plan for any expansion, improvement or other development on the site. In this case, the facility master plan is equivalent to the GDP. Monterey County Coastal Implementation Plan (CIP), Part 2, Section 20.144.160.C.1.k states that all new heavy industry must be coastal-dependent. Notwithstanding the coastal dependent designation, limited agricultural uses, including commercial cannabis activities, may be permitted within existing industrial infrastructure at the former Kaiser National Refractories site subject to a Coastal Development Permit.

Zoning. The project site is zoned Heavy Industrial, Coastal Zone or "HI(CZ)". Monterey County Code Section 20.28.010 describes the HI zone as "a district which will assure an environment conducive to the development and protection of modern industry, research institutions and administration facilities, all well designed and properly landscaped, which are not dependent on pedestrian traffic." Monterey County Code Section 20.28.050.A requires a Coastal Administrative Permit to allow a change of heavy industrial uses within a structure and Section 20.67.030 requires a Coastal Development Permit for all commercial cannabis activities (Source: IX:5).

Baseline. CEQA Guidelines Section 15125(a) defines the environmental setting of a project as being: "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 Guidelines state that the "environmental setting will *normally* constitute the baseline physical conditions by which a lead agency determines whether an impact is significant" (emphasis added). In certain instances, the lead agency has the discretion to use a baseline other than existing conditions at the time environmental analysis is commenced, as long as this decision is supported by substantial evidence.

Cannabis activities began on the site in 2015 without benefit of a Coastal Development Permit. In order to abate building code violations and ensure the health and safety of personnel occupying substandard buildings, the County issued construction permits for tenant improvements to buildings 1~~, 2, 3, 4, 5, 6,~~ through 7, 9, 10, 14~~, 15, 16, 18, 19,~~ through 20, ~~17,~~ 28, and 29 during the years 2017, 2018 and 2019. Out of the 34 buildings within the business park, 23 are currently occupied by various cannabis operators, 3 are occupied by the Calera Corporation and 8 remain empty. On February 26, 2019, the project ~~analyzed under this Initial Study~~application was deemed complete by County staff and environmental review commenced.

~~in the form of this Initial Study~~. Approval of the proposed project, which requires the granting of a Coastal Development Plan and General Development Plan, has yet to occur.

As demonstrated through case-law[1], Lead Agencies must evaluate impacts against actual conditions existing at the time of CEQA review and are not required to evaluate impacts compared to a baseline condition that predates the unpermitted activity. In this case, it is appropriate to consider the current operations described in the preceding paragraph as the baseline condition since there is substantial evidence identifying that the permitted industrial use (Calera Corporation) has been in operation over the 18 years and the non-permitted cannabis activities have been in operation over the past 6 years.

The subsections below describe the environmental setting relative to specific resource sections to provide clear and understandable context for impacts discussed, and for the significance conclusions that are provided in sections *IV. Environmental Factors Potentially Affected and Determination* and *VI. Environmental Checklist* of this Initial Study.

Aesthetics.
The project site is an industrial park with existing industrial/commercial operations. Across Highway 1 to the west are views of the Moss Landing Harbor and the Pacific Ocean. The Moss Landing Power Plant stacks, north of the project site across Dolan Road, are the tallest and most striking natural or built features in the viewshed of the project site vicinity. Views into and out of the project site are partially obstructed by berms, fencing, and vegetation on the western and northern boundaries. Structures that are visible from the surrounding area consist of metal-clad industrial buildings and concrete water tanks. Safety lighting on the site as well as from the industrial development to the north is visible from surrounding areas.

Agriculture and Forestry Resources.
The project site is zoned Heavy Industrial – Coastal Zone or "HI(CZ)" and contains industrial developments existing on the property prior to 1949. Consistent with these conditions, the project site is identified as Urban and Built-up Land by the California Department of Conservation's California Important Farmland Mapping and Monitoring Program. Thus, the project site does not contain Important Farmland. Land designated as Farmland of Statewide Importance is located approximately 0.25 mile south of the project site, and land designated Prime Farmland is located approximately 0.60 mile southwest of the project site. ~~The project site does not contain Important Farmland~~.

Air Quality.
The project site is within the North Central Coast Air Basin (NCCAB), which is comprised of Monterey, Santa Cruz, and San Benito counties and is under the jurisdiction of the Monterey Bay Air Resources District (MBARD). As the local air quality management agency, MBARD is required to monitor air pollutant levels to ensure that state and federal air quality standards are met and, if they are not met, to develop strategies to meet the standards. See Section III, *Air Quality Management Plan* and Section VI.3, *Air Quality*.

1 *Fat v. County of Sacramento* (2002) 97 Cal.App.4th 1270, where the court (citing *Riverwatch v. County of San Diego* (1999) 76 Cal.App.4th 1428)

The subject property contains existing industrial uses including office space, research facilities, cannabis activities, warehouses and storage. Surrounding uses include agriculture, industrial uses, the Moss Landing Harbor, commercial fishing, education and scientific, recreation, commercial restaurants, and a power plant and battery storage site. There are no schools within the proximity of the subject property. The residential zoned parcels are approximately 0.6 miles south from the nearest building on the subject lot. A marine laboratory (Moss Landing Marine Laboratory) is located approximately 0.5 miles southwest of the subject property. Although the project does not include any development outside of the existing structures, tenant improvements are anticipated. Currently, all air quality impacts are a direct result of the existing operations occurring on site.

All permitted cannabis operations occurring at the site are required to follow commercial cannabis regulations, established in Monterey County Code Chapters 7.02, 7.90, and 20.67. In accordance with these chapters, all commercial cannabis operations must follow all pesticide use and waste disposal requirements of local, state, and federal law. To prevent any unlawful or harmful exposure to or emissions from hazardous waste, chemicals or pesticides must follow standard operating procedures and adhere to Monterey County Agricultural Commissioner's Office and Department of Pesticide Regulations. Each of the cannabis permit applications associated with this site has stated a similar statement regarding the storage, handling, use and disposal of hazardous substances: "all chemicals, pesticides and fertilizers are storage in an enclosed, locked designated storage container with appropriate signage and notice indicated hazardous materials are present." The storage of pesticides and fertilizers shall be labeled and locked per regulations established by the Agricultural Commissioner and Health Department. The existing cannabis operations that are currently occupying 23 of 34 buildings are currently required to follow these regulations.

All of the cannabis operations are indoors, and each building is permitted to meet County fire regulations. All cannabis operations need to have fire alarms, carbon monoxide detectors and gas detection systems. Gas detection system equipment shall be designed for use with the gases being detected and shall be installed in accordance with the manufacturers' instructions.

Biological Resources.
The project site is a developed 182.74-acre parcel, as shown in **Figure 2**, currently operating as an industrial park. The industrial park, not including the artificial fill and the magnesium oxide "white lakes" which are located just south of the existing development, only occupies approximately 60 acres of the property. Existing development is located within the northwest portion of the site, Dolan Road abuts the northern property line and chain-link fencing, cypress trees and eucalyptus trees provide separation between the property and the roadway. Highway 1 abuts the western property line and cypress trees, ruderal vegetation and fencing line the area adjacent to the northbound lane of Highway 1.

The developed portion of the project site contains minimal vegetation consisting primarily of ~~and is mainly ruderal~~non-native species, weedy species in quality. The southern portion of the site contains 7 large water tanks and a 35-acre area consisting of a magnesium hydroxide deposit from prior industrial activities. ~~The magnesium~~Magnesium hydroxide forms a solid surface on

top of the ground, ~~that blocks~~preventing vegetation growth. South of the magnesium hydroxide deposit is the Moro Cojo Slough, which connects to the west to the Moss Landing Harbor and the Pacific Ocean. The eastern portion of the project site contains a wetland complex. There are no structures or commercial activity, existing or proposed, within the wetland complex.

Cultural Resources.
The Moss Landing Commercial Park consists of 34 previously constructed buildings. The entire parcel is heavily disturbed due to past and current land uses. North County CIP Section 20.144.110.B.3 states that an archaeological survey report shall be required for all development in a high archaeological sensitivity zone or within 750 feet of a known archaeological resources. According to the Monterey County Geographic Informational System (GIS) (Source: IX:6), the subject property has a high archaeological sensitivity and is within 750 of a known archeological resource. Although the subject parcel meets the archaeological survey requirements, the project does not propose any ground-disturbing development and therefore was not required to prepare such a report.

Energy.
Cannabis Background
Cultivation operations, specifically the lighting and climate control equipment required for indoor operations, consume large amounts of energy (primarily electricity). Energy uses in indoor grow operations include high-intensity lighting, dehumidification to remove water vapor and avoid mold formation, space heating or cooling during non-illuminated periods and drying processes, preheating of irrigation water, generation of CO_2 from fossil fuel combustion, and ventilation and air conditioning to remove waste heat (Source: IX:20). Lighting is the greatest contributor to energy use (Source: IX:20). Reliance on equipment can vary widely as a result of factors such as plant spacing, layout, and the surrounding climate of a given facility.

An *EQ Research* report on the energy impacts of cannabis cultivation that found Colorado, California and North Carolina indoor cultivators operating year-round were consuming approximately 150 kWh of energy per square foot ~~of energy~~ (Source: IX:21).

There are currently 23 buildings containing cannabis operations that operate year-round. The associated cannabis permits did not include their estimated energy consumption in their respective application or operation plans. Therefore, based on the data produced by the EQ Research report, the existing cannabis operations (totaling 332,973 square feet) ~~produce~~ require approximately 49,945,950 kWh of energy per year. Of the remaining 11 non-cannabis buildings, 8 are vacant and therefore consume minimal operational energy. The remaining 3 non-cannabis buildings are occupied as office space, a research and development facility and an industrial shop. According to U.S Energy Information Administration, small offices annually consume approximately 13.1 kWH of energy per square foot, and laboratories such as the Cement Calera research and development facility annually consumes approximately 40.8 kWh of energy per square foot. Industrial shops and warehouses (unrefrigerated) annually consume approximately 6.6 kWh of energy per square foot (Source: XI:22~~1~~). Therefore, the current site annually consumes approximately 51,106,707.2 kWh of energy ~~per square foot~~.

Regulatory Framework

Monterey County Code Section 20.67.050.B.9 states that "On-site renewable energy generation shall be required for all indoor cultivation activities. Renewable energy systems shall be designed to have a generation potential equal to or greater than one half of the anticipated energy demand."

Geology/Soils.

A geological report was conducted to better understand the geological impacts and impacts that could occur from geological events. The report, conducted by "CapRock Geology, Inc.", on March 5, 2007 (Source: IX:10), states that the subject property lies in a highly seismically active region, with no active faults crossing the property. Nearby San Andreas and Palo Colorado-San Gregorio faults have the potential to produce maximum credible earthquakes of 7.9 and 7.3, respectively. The report found that in the event of a large San Andreas magnitude earthquake the peak horizontal ground acceleration would be 0.422 g and the high repeatable horizontal ground acceleration would be 0.27 g. The development on the property is located on underlain terrace deposits with a low potential for liquefaction. However, the portion of the property covered by artificial fill and the magnesium oxide "white lakes", the sloughs, slough margins, and slopes and berms adjacent to the sloughs all have high potential for liquefaction. Some terrace deposits and artificial fill on site is unconsolidated, and susceptible to severe erosion. However, many of these unconsolidated areas are protected by the presence of a duripan, a hardened layer of soil. If the duripan layer is broken, erosion may occur in areas that previously showed little evidence of surface erosion.

Wastewater.

All sanitary sewage is currently treated by 7 on-site septic tanks throughout the project site. **Table 2** below provides specific information on each of the septic tanks and the buildings that they provide wastewater services for. The 7 septic tanks have a maximum capacity to handle waste resulting from an employee population of 346 persons. Currently, there are 262 employees working onsite. However, the current employee count distribution causes 2 septic systems to run over capacity. Septic System 2 is over capacity by 20 employees and Septic System 3 is over capacity by 33 employees (shown as red numbers in the below table). Currently, employees of buildings 10, 14, 15, and 20 use the available public restrooms located on the outside of building 20 connected to Septic System 6, and employees of buildings 32 and 33 use the available public restrooms located on the outside of building 11, connected to Septic System 3 (overloaded). It is not clear the distance between the employees of these buildings and the restrooms.

Table 2. MLCP Septic Systems			
Septic #	Building(s)	~~Person~~Employees(s)	Maximum Occupancy (Persons)
1	8, 17, 27	23	67
2	3, 4, 5, 6, 7, 9	56	36
3	11, 12, 13, 32, 33	70	36
4	25	7	88
5	16, 19, 26	23	60
6	18, 20	49	67
7	1	14	24

Greenhouse Gas Emissions.

"Greenhouse gases" or GHG are gases that absorb and re-emit infrared radiation in the atmosphere. The gases that primarily contribute to human-induced climate change are carbon dioxide (CO_2), methane (CH_4), nitrous oxides (N_2O), fluorinated gases such as hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs), and sulfur hexafluoride (SF_6). Water vapor is not listed because its atmospheric concentrations are largely determined by natural processes, such as oceanic evaporation.

Both natural processes and human activities produce GHGs. Of these gases, CO_2 and CH_4 are emitted in the greatest quantities from human activities. The majority of CO_2 emissions are by-products of fossil fuel combustion, whereas CH_4 emissions are associated with agricultural practices and landfills (Source: IX:12). Different types of GHGs have varying global warming potentials (GWPs). The GWP of a GHG is the potential of a gas or aerosol to trap heat in the atmosphere over a specified timescale (generally, 100 years). Since GHGs absorb different amounts of heat, CO_2, a commonly referenced gas, is used to relate the amount of heat absorbed to the amount of the gas emissions, referred to as "carbon dioxide equivalent" (CO_2e), and is the amount of a GHG emitted multiplied by its GWP. CO_2 has a 100-year GWP; whereas, CH_4 has a GWP of 25, meaning its global warming effect is 25 times greater than carbon dioxide on a molecule per molecule basis (Source: XI:23).

Area sources of GHG emissions include fireplace/woodstoves, landscaping equipment exhaust, and consumer products. While consumer products are primarily sources of reactive organic gas emissions, they do not generally emit measurable GHG emissions, with the exception of fertilizers used in plant production. No fireplaces are associated with any of the current uses, and the County does not allow the burning of cannabis waste on the project site. Since no landscaping is associated with the subject property, there is no landscaping equipment exhaust impacting the air quality. Therefore, the only activity that potentially impacts the air quality and produces GHG emissions is limited to the use of fertilizers, energy, and transportation related activities. Application of nitrogen-based fertilizers results in the release of N_2O; the fertilizer volatilizes over time. Efficient application of fertilizers has implications on GHG emissions, crop yield, and production costs (due to the cost of the fertilizer). Commercial cannabis operations make up approximately 67% of the Moss Landing Commercial Park buildings (23 total).

Commercial cannabis operations utilize a variety of pesticides and fertilizers throughout the life of a single plant. In order to prevent contamination through erosion, leakage, or inadvertent damage from rodents, pests, or wildlife, pesticides and fertilizers shall be properly labeled and stored to avoid. The remaining 33% of the buildings (11 buildings) do not require the use of fertilizers as they do not produce any kind of agriculture, but the use of other chemicals, such as household cleaning supplies, is stored onsite. For the purpose of this analysis, it is assumed that the non-cannabis operators do have hazardous materials stored on-site. However, the storage of these materials must be in according with Monterey County Code, which states that hazardous waste shall be separated from solid waste and shall dispose of it only at a hazardous waste collection facility or through programs specifically provided by the permittee, franchisee or the County.

In accordance with Monterey County Code Section 20.67.050.B.9, onsite renewable energy generation shall be required for all indoor (cultivation activities using artificial lighting only including Type 1A, 1C, 2A, 3A and 4 state license types) cannabis cultivation activities. Renewable energy systems shall be designed to have a generation potential equal to or greater than one-half of the anticipated energy demand.

Transportation attributes to 29% of the GHG emissions produced in 2019 in the U.S. 58% of the transportation sector is a result of light-duty vehicles while medium to heavy-duty trucks create approximately 24% of the transportation sector's GHG emission. Light duty trucks are the primary vehicles used for the various uses on the subject site and cannabis products are currently transported in light-duty vehicles. The only heavy-duty trucks on site are used for the disposal of waste. Mobile emissions are based upon trip generation rates provided in the project Traffic Report – Trip Generation Analysis (Source: XI: 11). As explained in Section VI.17 - *Transportation*, of this Initial Study, the number of daily trips currently generated is approximately 763. There are 23 buildings occupied by commercial cannabis activities (occupied with employees), 2 industrial shops (1 of which is occupied by Calera Cement – building no. 11, and the other is used as a fire corridor and therefore is not occupied – building no. 32), 1 storage building (no associated employees), 1 office building (occupied with employees), 1 research and development building (occupied with employees), and 6 warehouse buildings that are not currently occupied. There is approximately 332,973 square feet of commercial cannabis activities at the Moss Landing Commercial Park which results in a daily trip generation of approximately 589. The single office (2,770 square feet) located in building no. 17, generates approximately 45 trips per day. The remaining occupied buildings are used as industrial shops (1), and research and development (1). The industrial shop and research and development facilities are most similar to the "Manufacturing" land use, per the Trip General Manual. These building combine for approximately 37,982 square feet and generate approximately 129 daily trips. The single storage building (building no. 34), one of the industrial shops (building no. 32), and the 6 warehouses are not occupied and therefore do not contribute to the daily trip generation of the subject site. The GHG emissions associated with the baseline of the subject property is minimal due to the type of uses occurring and the required local, state and federal regulations.

Hazards & Hazardous Materials.

Existing uses at the Moss Landing Commercial Park includes agriculture, research, and industrial operations. Agriculture operations consist of cannabis cultivation, processing, distribution, and

manufacturing (volatile and non-volatile). There are 18 current commercial cannabis operators within 23 buildings with a total cultivation canopy square footage of 120,360. Pacwell Solutions, ~~the operator that~~ currently occupies buildings 19 and 33, engages in both volatile and non-volatile cannabis manufacturing, and is the only manufacturer on-site. ~~Greenline Organic Nursery,~~ CannaCruz Inc.~~,~~ and Treetop Flyers are not currently engaged in cannabis manufacturing activities but are seeking approval. ~~Greenline Organic Nursery, located in building 1, is in the application process for a Monterey County cannabis manufacturing permit under CNB190018. Whereas~~ CannaCruz Inc. and Treetop Flyers Collective are in the application process for Monterey County cannabis manufacturing (volatile and non-volatile) permits under CNB190013 and CNB190012, respectively, but have been issued state licenses for cannabis manufacturing. No hazardous materials in quantities of 55 gallons and above for liquids, 500 lbs. and above for solids, and/or 200 cubic feet and above for gas are used by the operators who are currently cultivating cannabis. There currently exists no use of acutely hazardous material, no use of underground storage tanks to store hazardous materials, and no hazardous air emissions from existing cannabis use. In 2011, a Green Cement Plant pilot project was extended for a four-year period involving installation of a flue gas Transfer Pipeline connecting to exhaust stacks through October 28, 2015. The owner and applicant maintained a current and updated Hazardous Materials Business Response Plan and complied with it. When the site was inspected in 2012, the Environmental Health Bureau found that the operator was in full compliance with the hazardous waste conditions to ensure state law compliance. This permit was not extended again and at this point there is no knowledge of hazards or hazardous materials existing in the proposed project area. While non-cannabis uses did potentially generate hazards or hazardous materials through October 28, 2015, there is currently no use of hazardous materials in quantities of 55 gallons and above for liquids, 500 lbs. and above for solids, and/or 300 cubic feet and above for compressed gases. There is no use of any acutely hazardous material nor underground storage tanks to store materials. The existing area of the proposed project is not generating any quantities of hazardous waste.

Hydrology/Water Quality (Including Domestic Water Use).
The proposed project area lies within the boundaries of the Salinas Valley 180/400-foot Aquifer Subbasin ("subbasin"). The subbasin is a part of the greater Salinas Valley Groundwater Basin in the Central Coastal region of California. The subbasin encompasses an area of approximately 89,706 acres, or 140 square miles, and contains approximately 1,514 wells, 691 of which are used for domestic purposes. Approximately 780 of these wells are used for production, such as agriculture irrigation. The remaining 43 wells (3%) are classified as public supply wells (Source: IX: 44) Located entirely in the County of Monterey, the subbasin contains parts of the City of Salinas, Castroville, Moss Landing, the City of Marina, Chualar, and the City of Gonzales. Due to the vast size and difference in topography and vegetation within the Salinas Valley, the climate varies from north to south. The northern portion of the valley is cooler and milder when compared to its southern counterpart. This is due to the proximity of the Monterey Bay and coastal waters. The Moss Landing area temperatures vary from mid 40s to high 70s, with an average of temperate of 57 degrees Fahrenheit. The average annual precipitation is approximately 8.94 inches, a majority of which occurring during the winter months (Source: IX:25).

The subject property's boundaries are surrounded by the Moro-Cojo Slough to the south, Highway 1 to the west, and Dolan Road to the north. Additional parcels zoned Heavy Industrial are located to the east. The Old Salinas River and Monterey Bay are located further west, approximately 300 feet and 0.3 miles, respectively. The Elkhorn Slough is located 0.4 miles north of the subject parcel. The Moro-Cojo Slough State Marine Reserve (approximately 0.46 square miles) was established to protect the wildlife and habitats of the Moro-Cojo Slough. The slough is located within the Alisal-Elkhorn Slough Watershed. Historically, this slough conveyed fresh and brackish water into the Old Salinas River and supported a rich community of wildlife. Due to farming, grazing and construction that took place in the early 20th century, this slough now consists of fragmented wetlands. Although the slough still supports a variety of aquatic habitats, the water quality has been degraded by pesticides, sedimentation, bacteria, and nutrients (Source: IX:13). As of 2017, the Moro-Cojo Slough is documented as a Category 5 on the California 303d list, which details the waterbodies impaired by various pollutants. Although the attempts by the Central Coast Wetlands Group at Moss Landing Marine Laboratories to remove the slough from the impaired waterbodies list through restoration, conservation, and monitoring were unsuccessful, these actions did result in habitat enhancement.

The subject property is located in an area of shallow ground water, approximately 1-4 feet below ground surface. The groundwater generally flows west towards the Pacific Ocean but varies due to local pumping and changes in the groundwater recharge. In 2015, cannabis operations began at the Moss Landing Commercial Park. The commercial park consists of 34 buildings, all of which have a variety of uses. The primary uses are warehouses, research facilities, offices, and industrial shops. A majority of the warehouses are used for commercial cannabis activities. As of the date on this Initial Study, 8 of the 34 buildings ~~have no employees and~~ are ~~therefore~~ vacant. The remaining 28 buildings have employee counts as low as 3 and as high as 53. The 8 vacant buildings are categorized as warehouses (6), storage (1) and industrial shops (1). Most of the operations within these 28 buildings are indoors and discharge minimal amounts of contaminants. However, due to the proximity of the slough, a Stormwater Pollution Prevention Plan (SWPPP), date 2009 and revised 2015, has been prepared in accordance with California State Water Resources Control Board's Water Quality Order 97-03-DWQ, NPDES General Permit No. CAS000001, WDID No. 3 271022035, Waste Discharge Requirements for Discharges of Storm Water Associated with Industrial Activities Excluding Construction Activities. The SWPPP identifies and evaluates the sources of pollutants associated with the industrial activities of the site. The SWPPP identified dust and residue from potential spills as the only possible contaminants (Source: IX:26). To prevent any unlawful or harmful exposure to or emissions from hazardous waste, chemicals or pesticides associated with cannabis operations must follow standard operating procedures and adhere to Monterey County Agricultural Commissioner's Office and Department of Pesticide Regulations. All pesticides and fertilizers are properly labeled and stored to avoid contamination through erosion, leakage, or inadvertent damage. All waste, pesticides and hazardous materials are disposed of in accordance with county code; this includes plant nutrients and plant debris. The Monterey County Waste Management district makes weekly trips to the subject site to haul waste (primarily non-cannabis related waste) and recycling weekly. Multiple current cannabis operators take advantage of this service. Any hazardous waste that is generated onsite (primarily during the cultivation process of cannabis) is hauled off-site bi-monthly by Medi-Waste, Inc, which is a contracted service that

only a few of the operators use. Most operators haul the cannabis waste offsite to local landfills that will receive cannabis plant waste materials.

There are 13 groundwater monitoring wells on the subject parcel and 11 of those were tested in 2019 for the presence of Total Petroleum Hydrocarbons, Hexavalent Chromium, Metals and Volatile and Semi-volatile Organic Compounds. Samples could not be taken from well #12 or well #1 due to lack of water and inaccessibility, respectively. The prepared groundwater monitoring report (written by CapRock Geology) concluded that the groundwater impact from petroleum hydrocarbons and other gasoline constituents appears to be confined to the vicinity around the former location of the underground storage tanks (Source: IX:27).

Water

Prior to 2015, the property was provided potable water by the Moss Landing Harbor District Water System (MLHDWS). In 2015, the Local Agency Formation Commission of Monterey County annexed five water systems owned and operated by Pajaro Sunny Mesa Community Services District (PSMCSD), including the MLHDWS, into District's boundaries. Therefore, the property's water supply for irrigation, processing, and domestic use is now provided by PSMCSD. Pursuant to MCC Chapter 20.67.050.B.8, water conservation measures would be implemented in order to minimize the use of water where feasible. The PSMCSD draws from the Pajaro Valley Watershed which is managed by the Pajaro Valley Water Management Agency. The PSMCSD water system is regulated by the State Water Resources Control Board and Monterey County Environmental Health Department.

Based on five 2020 Pajaro Sunny Mesa CSD water service bills, the monthly water consumption under existing conditions on the project site ranges between 697 to 788 units (1 unit = 748 gallons). Using the average water consumption of 742.5725 units or 555,39542,300 gallons per month, the average annual water usage at the project site is 6,664,6806,507,600 gallons or 20.4519.97-acre foot per year (AFY).

Land Use/Planning.

The preceding discussions relative to the General Plan Land Use Designation and Zoning contained in this section demonstrate that the existing uses on the property are consistent with the land use designation and zoning. However, as identified in the Project Description of this Initial Study, an after the fact Coastal Development Permit and GDP is required.

Mineral Resources.

There is ample magnesium oxide located on the property; however, there is no current mining, extracting, or collecting of any kind of the magnesium oxide. As existing, this project does not mine, extract, or collect any of this salt resource.

Noise.

The applicant does not maintain inventory of existing equipment owned by the tenants of each building, but there have been no noise complaints related to the operation of the Moss Landing Commercial Park to the knowledge of Monterey County HCD. The project area is located

between the Elkhorn Slough, Moro Cojo Slough, and Highway 1. Due to this, there are no neighboring noise-sensitive land uses within range of industrial equipment noise disturbance or other similarly noisy potential existing operations. Noise-sensitive land uses typically include, but are not limited to, residences, schools, hospitals, and libraries.

Population/Housing.
The subject property supports heavy industrial uses and there are no existing residential uses onsite. The existing industrial use (Calera Corporation) and cannabis operators have provided employment opportunities on the site for approximately 18 and 6 years, respectively.

Public Services.
The project site is currently served by the North County Fire Protection District of Monterey County and the nearest fire station is located at 11200 Speegle Street in Castroville, approximately 3 miles southeast from the site. The existing buildings with cannabis operators are fully protected with automatic fire sprinkler systems, fire extinguishers, and alarm systems, as required under the fire and building codes. Multiple on-site investigations have occurred with the Fire District to ensure compliance. Cannabis businesses are required to pay a tax per square foot that goes directly to funding the fire district, per a measure passed in June 2018.

The Monterey County Sheriff's Office provides police services to the unincorporated portions of the County. These services include patrol, crime prevention, and crime investigation provided out of stations in Monterey, Salinas, and King City. The nearest station to the project sites is the Salinas station, located at 1414 Natividad Road in Salinas, approximately 14 miles southeast of the site. All commercial cannabis operators are required to submit security plans indicating compliance with MCC 7.90 – Commercial Cannabis Permits. Each of the project site's current cannabis operators have submitted security plans. All future operators must comply with this requirement. In addition to each operator's security plan, the Moss Landing Commercial Park is fully secured with extensive lighting throughout the site and high security wire fencing around the entire complex. The property is secured by a guardhouse with 24/7 guards and a gated entrance. There are no educational or recreational facilities within the property.

Recreation.
The subject property does not contain residential uses supported by onsite or offsite recreational facilities. The nearest recreation facility, the Moss Landing Community Park, is located across the Moss Landing Harbor approximately 0.1 miles west of the subject property.

Transportation.
The daily trips generated from the subject property are based on the land use codes and trip generation rates which were established in the 2019 Institute of Transportation Engineers' (ITE) newest edition of the Trip Generation Manual. This manual provides trip generation rates for the most common land uses. There are 23 buildings that are occupied by commercial cannabis operations. All of these buildings have employees; thus, they generate daily trips. The Trip Generation Manual does not have a Commercial Cannabis land use. Therefore, the traffic engineer that determined that cannabis operations are most similar to greenhouses (Source: IX: 11). The comparable land use for the cannabis portion of the existing site, per the Trip Generation Manual, is a "Warehouse" (ITE Code 150). The Trip Generation Manual quotes a

trip generation rate of 1.74 daily trips per 1,000 square feet for warehouses. This rate was assumed for all the commercial cannabis operations. There is approximately 332,973 square feet of buildings with commercial cannabis operations. This results in a daily trip generation of 589 under existing conditions. There are 7 vacant buildings listed in the GDP that are categorized as "Warehouses:" 6 warehouses and 1 storage building, totaling 11,345 square feet. The eighth vacant building on the site is a utilized fire corridor. The GDP states that these buildings do not have employees, and therefore, they have no associated trip generation.

The other non-cannabis building's land uses fall under the "Manufacturing" land use (ITE Code 140). These structures are listed as research and development (1) or industrial shops (2). The research and development building one of the two industrial shops (building no. 11) have employees and will therefore generate daily trips. The other industrial shop (building no. 32) ~~does not have any employees~~is vacant and therefore does not generate daily trips. This "industrial shop" is currently being used as a designated fire corridor. This building is vacant and will remain vacant in order to be in compliance with County fire standards. The Trip Generation Manual quotes a trip generation rate of 3.94 daily trips per 1,000 square feet for "Manufacturing" land uses. There is approximately 37,982 square feet associated with the manufacturing land uses; resulting in 129 daily trips. Finally, there is a single office in building no. 17 that is less than 5,000 square feet (approximately 2,770 square feet), and therefore is categorized as a "Small Office Building" land use (ITE Code 712). The Trip Generation Manual quotes a trip generation rate of 16.19 daily trips per 1,000 square feet for "~~Manufacturing~~Small Office Building" land uses. This results in 45 daily trips. In total, the current uses of the subject site ~~produce~~ generate 763 daily trips, with 589 of them corresponding to the existing commercial cannabis operations.

Tribal Cultural Resources.
Due to proximity of the Pacific Ocean, Elkhorn Slough, Moro Cojo Slough and the Salinas River, the Moss Landing area provided significant hunting, fishing and other resources to indigenous populations. The project site lies within the recognized ethnographic territory of the Costanoan, often called Ohlone, with the Mutsun linguistic group. Habitation by this group was considered to be semi-sedentary and occupation sites are often found at the confluence of streams. There are 8 identified archaeological sites found within Moss Landing, one of which is within 750 feet of the subject property.

Utilities/Service Systems (Including Solid Waste).
Utilities and service systems in use under existing conditions include the existing use of 7 septic wastewater systems~~;~~, water supply for irrigation, processing, and domestic use provided by Pajaro Sunny Mesa Community Services District (CSD)~~;~~ and the solid waste hauled by Waste Management and composted by the Monterey Regional Waste Management District. Descriptions of the existing use of these services can be found in the preceding and subsequent sections. Electrical power and natural gas are currently provided by Pacific Gas and Electric. (Source: IX: 28 and 29)

Solid Waste

Municipal solid waste generated and stored on site is planned to be screened from view by fences of walls conforming to the style and materials of the accompanying building. At the time of preparing environmental review, 11 cannabis operators that operate with a cannabis business license have some level of service with Waste Management. Non-cannabis operators on site also have service with Waste Management including Cement Calera and United Agricultural Technologies, please see **Table 3** below for more information. United Agricultural Technologies and Consolidated Oil are no longer active on site; however their contracts were upon the preparation for environmental review. Additionally, 14 operators have filed cannabis business permits which track the amount of solid waste for organic recycling, please see ~~the~~ Ttable 3 below for more information. Plant trimming is disposed of in accordance DCC regulations, which includes composting.

Wildfire.
The project site contains industrial structures and asphalt within the developed areas. Grass, brush, trees and wetland areas are found within the undeveloped portions of the site which is relatively flat and contains a minimal amount of wildland fire fuel.

C. Other Public Agencies Whose Approval is Required:

Commercial cannabis activities require approval from the California Department of Cannabis Control. The Department of Cannabis Control licenses and regulates all commercial cannabis activity in California. If future cannabis operators intend to distribute or manufacture cannabis, a Cannabis Distribution or Manufacture Permit will be required from the Department of Cannabis Control. As of December 18, 2017, all commercial cannabis cultivators must enroll for coverage under the Cannabis General Order (State Water Resource Control Board). Commercial cannabis activities also require approval of a Coastal Development permit. In this case, the granting of a General Development is also required. Approval of the General Development Plan and Coastal Development Permit would be appealable to the California Coastal Commission.

Table 3. Moss Landing Commercial Park Operators Existing Level of Waste Management Service and Weekly Cannabis Waste Weight

Operator	Building #	Trash (yd/wk)	Recycling (yd/wk)	Yard Waste (yd/wk)	Self-Hauling Cannabis Green Average Weekly Waste Weight (kg)
Treetop Flyers	10, 14, 15	1-3 1-4	1-2		3.80
United Ag (non-cannabis)	13	1-6			
Moss Landing Family Farms	13B	1-6	1-3		3.27
Jump Start Nursery	16	1-3	1-2		24.82
Pacific Organics and Wellness	20A, 20B	3-3	1-3	2-1	7.22
Clearwater Collective Inc./Lockhorn Management	29, 29A	1-4 1-2	1-2		18.84
Greenline Organic Nursery, Inc.	1	1-4	1-2	1-96 (gal)	250.19
Top Shelf Botanicals	1	1-4 1-1	1-2		6.52
Stackview Farms, Inc.	13A	1-4			0.88
Cement Calera (non-Cannabis)	8, 11	1-4	1-2		
Westcliff Patient Collective	18	1-1	1-1		8.19
Consolidated Oil		1-6	1-4		
Cannacruz	7				17.76
Firecut LLC	3, 5, 6, 9				300.45
Monterey Bay Organics	27				
Newtown Enterprises	13C				14.16
Santa Cruz Coast Naturals	26				9.39
Stone Madrone Farms, Inc.	28				0.37

III. PROJECT CONSISTENCY WITH OTHER APPLICABLE LOCAL AND STATE PLANS AND MANDATED LAWS

Use the list below to indicate plans applicable to the project and verify their consistency or non-consistency with project implementation.

General Plan	☒	Air Quality Mgmt. Plan	☒
Specific Plan	☐	Airport Land Use Plans	☐
Water Quality Control Plan	☒	Local Coastal Program-LUP	☒

General Plan/Local Coastal Program

The project was reviewed for consistency with the 1982 Monterey County General Plan (General Plan), the North County Land Use Plan (NC LUP), Chapter 5 of the NC LUP - the Moss Landing Community Plan (MLCP), and the Monterey County Coastal Implementation Plans (CIP), Part 1 (Tile 20) and Part 2 (NC CIP) (Chapter 20.144). The General Plan and LUP provides regulatory framework, through goals and polices, for physical development. The CIPs provide regulations for implementation of these goals and policies. Chapter 7 of the NC LUP outlines 3 basic tests for demonstrating a project's conformance with the plan: 1) the project must conform to the type and intensity of uses permitted within the specific geographical area concerned; 2) the project must conform to the policies listed in Chapters 2 through 6 of the NC LUP; and 3) the project must fully meet any specific zoning provisions adopted to implement the plan. As described in Section II.A. Description of Project, of this Initial Study, the project consists of repurposing existing industrial buildings to allow commercial cannabis activities on a property with a Heavy Industrial – Coastal Dependent land use designation and Heavy Industrial zoning. As discussed in Sections IV and VI of this Initial Study, the project, as proposed, conditioned, and mitigated, is consistent with Chapters 2 through 6 of the NC LUP. The General Plan Land Use Designation and Zoning discussions found in Section II.B - Surrounding Land Uses and Environmental Setting of this Initial Study demonstrate that the existing uses on the property are consistent with the land use designation and zoning. (Source: IX: 2, 3, 4 and 5) **CONSISTENT**

Air Quality Management Plan.

Consistency with an Air Quality Management Plan (AQMP) is an indication of a project's ability to avoid contributing to a cumulative adverse impact on regional air quality (ozone levels). The AQMP addresses the attainment and maintenance of State and federal ambient air quality standards within the North Central Coast Air Basin. The subject property contains existing industrial uses including office space, research facilities, cannabis activities, warehouses and storage. Although the project does not have a residential component, the project does increase County employment opportunities by 14. This increase in employment would not result in a population increase not already accounted for in the AQMP. Currently, all air quality impacts are a direct result of the operations occurring within 27 of the buildings onsite. There is no indication that the current operations are inconsistent with the AQMP and approval of the project would result in potential cannabis activities to operate out of 5 additional buildings. Indirect emissions

associated with industrial population-serving projects are found consistent with the AQMP if any project related population increase does not exceed the estimated cumulative population of the relevant forecast listed in the AQMP. The minimal increase of cannabis operations resulting from the project would not create a substantial increase of population in the area. Further, Monterey County Code (MCC) Section 7.90 requires that cannabis operators follow all pesticide use and waste disposal requirements of local, state and federal law. The project would not cause an increase of stationary emissions than what currently exists. Given the aforementioned and as described in Section VI.3, *Air Quality*, the
~~the~~ proposed project would not conflict with or obstruct implementation of the AQMP. As such, the project is found to be consistent with the AQMP. **CONSISTENT**

Water Quality Control Plan.

The subject property lies within Region 3 of the Central Coast Regional Water Quality Control Board (CCRWQCB) which regulates sources of water quality related issues resulting in actual or potential impairment or degradation of beneficial uses, or the overall degradation of water quality. The project does not include ~~constriction~~ any ground disturbance and the operational component would not generate pollutant runoff in amounts that would cause degradation of water quality. The CC~~W~~RWQCB has designated the Director of Health as the administrator of the individual sewage disposal regulations, conditional upon County authorities enforcing the Regional Water Quality Control Plan, Central Coast Basin (Basin Plan). These regulations are codified in Monterey County Code Chapter 15.20. The Environmental Health Bureau has reviewed the project and found the existing septic design and location consistent with these regulations. As identified in the baseline discussion (Section II.B - Surrounding Land Uses and Environmental Setting) and water quality analysis (Section VI.10 - Hydrology and Water Quality) of this Initial Study, the project is found consistent with the Basin Plan. **CONSISTENT**

IV. ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED AND DETERMINATION

A. FACTORS

The environmental factors checked below would be potentially affected by this project, as discussed within the checklist on the following pages.

☒ 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	☐ Population/Housing	☐ Public Services
☐ Recreation	☒ Transportation/Traffic	☐ Tribal Cultural Resources
☒ Utilities/Service	☐ Wildfires	☒ Mandatory Findings of Significance

Some proposed applications that are not exempt from CEQA review may have little or no potential for adverse environmental impact related to most of the topics in the Environmental Checklist; and/or potential impacts may involve only a few limited subject areas. These types of projects are generally minor in scope, located in a non-sensitive environment, and are easily identifiable and without public controversy. For the environmental issue areas where there is no potential for significant environmental impact (and not checked above), the following finding can be made using the project description, environmental setting, or other information as supporting evidence.

☐ Check here if this finding is not applicable

FINDING: For the above referenced topics that are not checked off, there is no potential for significant environmental impact to occur from either construction, operation or maintenance of the proposed project and no further discussion in the Environmental Checklist is necessary.

EVIDENCE:

~~1. Aesthetics.~~ ~~NC LUP Section 2.2 - Visual Resources, identifies scenic resources as North County's beaches and dunes, estuaries and wetlands, hills and ridgelines, and in its cultural, historic, and architectural sites. In accordance with MLCP General Policy 5.6.2.1, development should be limited in scenic beach, dune, estuary, and wetland areas to protect the visual resources of Moss Landing. Further, the segment of Highway 1 in the project area is not considered scenic. As identified in the baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting) and Section II.A – Description of Project, of this Initial Study, the project site is an existing industrial park and as proposed, the project would be limited to conducting operations within existing industrial structures. Therefore, the project would have no impact on scenic vistas or a state scenic highway, would not substantially degrade the existing visual character or public view and would not create a new source of substantial light or glare. (Source: IX:1, 3, 6, 8 and 14)~~ ~~*No Impact.*~~

2. Agriculture and Forest Resources. The California Department of Conservation's California Important Farmland Mapping and Monitoring Program identifies the project site as "Urban and Built-up Land". Land designated Farmland of Statewide Importance is located approximately 0.25 mile south of the project site, and land designated Prime Farmland is located approximately 0.60 mile southwest of the project site. As identified in the baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting) and Section II.A – Description of Project, of this Initial Study, the project site is an existing industrial park and as proposed, there are no soil dependent agricultural activities on the site, and the project would be limited to conducting operations within existing industrial structures. The project site is not zoned for or used for forest, timber, or agriculture use. The project site contains trees and wetlands that would not be affected by the project. The property is not under a Williamson Act contract. The nearest property under a Williamson Act is located 0.8 miles south of the subject property. Therefore, the project would not result in the conversion of Prime, Unique, and/or Farmland of Statewide Importance; would not conflict with Farmland zoning or a Williamson Act contract; would not conflict with zoning of forest land nor result in the loss or conversion or forest land; and would not result in changes to the environment that would result in conversion of farmland or forest land. There would be no impact. (Source: IX:1, 3, 6, 8 and 14) *No Impact.*

~~4. Biological Resources.~~ ~~The project site includes wetland areas consisting of 12.04 acres of Freshwater Emergent Wetland habitat on the eastern portion of the project site, as identified by the United States Fish and Wildlife Service (USFWS). South-adjacent to the site, the Moro Cojo Slough, located south and east of the site is identified as a 34.74 acre Estuarine and Marine Deepwater~~

~~habitat, with 12.13 acres of Estuarine and Marine Wetland habitat between the Moro Cojo Slough and the project site. West of the project site across Highway 1 are additional large mapped~~large, mapped ~~areas of Estuarine and Marine Deepwater habitat and Estuarine and Marine Wetland, where the Moro Cojo Slough and Elkhorn Slough connect to the Pacific Ocean. Additionally, the project site is across Highway 1 from the Moss Landing Harbor, which connects to the Elkhorn Slough State Marine Conservation Area. While the project site and its surroundings include high quality biological habitat, the subject property is an industrial park containing industrial structures, paved parking areas, and ruderal vegetation (see baseline discussion found in Section II.B - Surrounding Land Uses and Environmental Setting, of this Initial Study) resulting in an area with minimal habitat value. The project would result in repurposin~~repurposeg ~~existing facilities and does not include demolition, construction, or other activity that would impact nearby habitat or species (see Section II.A – Description of Project, of this Initial Study). Therefore, the project would not result in a substantial adverse effect on candidate sensitive or special status species, riparian habitat, or protected wetlands. The project would not interfere with the movement of wildlife species, conflict with biological protection polices or conflict with an adopted Habitat Conservation Plan. (Source: IX:1, 3, 6, 8 and 14) *No Impact.*~~

5. Cultural Resources. As identified in the baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting), cultural resources have been identified in Moss Landing. However, as discussed in Section II.A – Description of Project, of this Initial Study, the project would be limited to conducting operations within existing industrial structures and since there is no associated ground disturbance, the project would have no impact on archeological resources. In 2004, a Historical and Architectural Evaluation was prepared for the project site. The subject property is specifically identified under the theme of "The 20th Century 1900-1950" in the 2000 Monterey County Historic Preservation Plan. While a majority of the 34 structures were not constrcuted during the 1942-1956 period of significance or were found to be historically insignificant, three buildings do represent the early functions and processing of the Permanent Metals/Refractory Plant. These include the 1942-56 Administration/Laboratory Building; the Kiln Feed Building, where the processed raw material came for distribution to the market or for transfer to the brick plant; and the 7 circulate concrete 250-foot wide "Thickeners," where the chemical reaction of seawater with dolomite produced the magnesium hydroxide. The proposed project would allow all existing cannabis activities to continue operation (23 buildings), establish commercial cannabis operations within 5 existing vacant buildings, and allow for the ongoing reuse of these 28 structures for all commercial cannabis activities. As proposed, the 1942-56 Administration/Laboratory Building would be utilized for commercial cannabis activities. The historical aspect of the 1942-56 Administration/Laboratory Building (Building No. 25) is not based on the use of the structure and therefore utilizing this structure for commercial cannabis activities would have no impact. No exterior improvements of this structure are

proposed, except for replacement exterior lighting (if deemed necessary). All exterior lighting of Building No. 25 shall be limited to the number of existing fixtures and replacement fixtures shall be consistent with the existing lighting. No solar panels are propsoed on this building. None of the other buildings analyzed under this Initial Study- ~~which concluded that none of the buildings~~ meet the criteria~~l~~ for inclusion on the California Register because they were not present during the period of significance, 1942-1956, and the buildings and their enclosed machinery have been altered over time. (Source: IX:1, 3, 4, 6 and 9) *No Impact.*

11. Land Use and Planning. While some structures have been built inside the site buildings, the project as proposed does not physically divide the Moss Landing Community. The project site exists on the east side of Highway 1 with two Sloughs located directly north and south of the project; Moss Landing Commercial Park serves more as a landmark than a physical division, and the project as proposed does not increase, strengthen, or engage in any potential physical division. There are no conflicts with applicable regulations adopted for the purpose of avoiding or mitigating an environmental effect contained within the Monterey County 1982 General Plan, the North County Land Use Plan (NC LUP), Chapter 5 of the NC LUP - the Moss Landing Community Plan (MLCP), and the Monterey County Coastal Implementation Plans (CIP), Part 1 (Tile 20) and Part 2 (NC CIP) (Chapter 20.144). The most applicable section of the North County Land Use Plan is Chapter 5 of the North County Land Use Plan which covers the Moss Landing Community Plan with a section dedicated to the Moss Landing Business Park Special Treatment Overlay. Section 5.H.2 of the North County Land Use Plans states that uses in this area are limited to coastal-dependent uses, coastal-related uses, manufacturing that furthers State of California goals for affordable housing and greenhouse gas reduction and uses related to listed Coastal Act priorities which include Natural Resource Preservation and Protection and Agricultural Uses (including research, commercial cannabis activity and aquaculture). The project as proposed consists of continuing existing manufacturing, coastal-related, and coastal-dependent uses, and cannabis cultivation, so this project does not conflict with the approved uses of the proposed project area. (Source: IX: 1, 2, 3, 4, 5, 6 and 8) *No Impact.*

12. Mineral Resources. There is ample magnesium oxide located on the property; however, there is no proposed mining, extracting, or collecting of any kind of the magnesium oxide. The only other possible mineral for extraction would be salt from the nearby Pacific Ocean. The project as proposed does not include any mining, extracting, or collecting of any kind for salt or oceanwater. The project as proposed does not seek to mine, extract, or collect any mineral source available to the proposed project area. Additionally, the project as proposed exists only within existing structures with no locally important mineral resource recovery sites contained within them. No locally important mineral resource recovery site would be impacted by the project as proposed. Therefore, there is no impact as there is

no mining, extracting, or collecting of any mineral source proposed. (Source: IX:1, 3, 6 and 8) *No Impact*

13. Noise. Noise-sensitive land uses typically include, but are not limited to, residences, schools, hospitals, and libraries. There are no noise-sensitive land uses in the vicinity of the project site. Nearby land uses include the Moss Landing Power Plant across Dolan Road to the north and the Whole Enchilada Restaurant across Highway 1 to the west. Measured from building to building (from the nearby land use to the nearest commercial structure on the project site), the Moss Landing Power Plant and the Whole Enchilada Restaurant are at distances of 200 and 400 feet, respectively. Operational noise sources associated with the project would include mechanical equipment associated with operation of cannabis cultivation and manufacturing, such as ventilation and odor control equipment. The proposed commercial cannabis activities may result in tenant improvements and the installation cannabis-related equipment like ventilation and odor control. Therefore, the proposed project would result in similar noise levels to the baseline conditions. Project activity would occur in the northwestern portion of the project site, which is buffered by vegetation between the site and Highway 1 to the west and between the site and Dolan Road to the north. Since noise from the project's operational phase would be similar to baseline conditions, would continue to be buffered by vegetation, and would not result in disturbance noise levels at any noise-sensitive land uses, the project would not result in a substantial increase, temporary or permanent, in ambient noise levels in the vicinity. As identified in Section II.B - Surrounding Land Uses and Environmental Setting, of this Initial Study, the project does not include construction and therefore would not generate excessive ground borne vibration. The project site is not within the boundaries of an airport land use plan or within 2 miles of an airport. The project site is approximately 8.4 miles north of the Marina Municipal Airport and approximately 7.9 miles south of Monterey Regional Airport. The project would not expose people to excessive noise levels from an airport or air traffic. (Source: IX:1, 3, 6, 8 and 14) *No Impact.*

14. Population/Housing. The proposed project would allow for the repurposing of existing industrial and warehouse structures for commercial cannabis businesses. As identified in the baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting) of this Initial Study, 26 of the 34 existing buildings are occupied by Calera Corporation and cannabis operators. The project would include the potential for cultivation, manufacturing, production, and distribution of cannabis within 5 additional buildings resulting in a slight increase of on-site employees. However, this would not result in direct population growth. Jobs generated by the cannabis operations are likely to be filled by existing residents of the County or nearby cities. The project sites would maintain heavy industrial uses under the existing zoning designation and would not directly induce unplanned population. The change of use within the existing industrial buildings for commercial cannabis activities would not displace people or housing,

necessitating the construction of replacement housing elsewhere. (Source: IX:1, 3, 6, 8 and 14) *No Impact.*

15. Public Services. The project sites are currently served by the North County Fire Protection District of Monterey County. The closest fire station to the project site is located at 11200 Speegle Street in Castroville, approximately three miles southeast from the site. The Monterey County Sheriff's Office provides police services to the unincorporated portions of the County. These services include patrol, crime prevention, and crime investigation provided out of stations in Monterey, Salinas, and King City. The nearest station to the project sites is the Salinas station, located at 1414 Natividad Road in Salinas, approximately 14 miles southeast of the site. North Monterey County Middle School would be the closest school, approximately 3 miles away, from the proposed project area. The nearest recreation facility, the Moss Landing Community Park, is located across the Moss Landing Harbor, approximately 0.1 miles west of the subject property.

    The project would not facilitate the construction of new habitable structures. As identified in the baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting) of this Initial Study, the industrial park has a current employee population of 262 persons and at full buildout, the employee population is estimated to be at ~~271~~273. Employment provided by the project would be mostly transferred employment opportunities from prior or existing uses, and the increase or decrease in overall employment in the County would be minor. Therefore, the project's employment would be from within the community and would not be anticipated to pull population from outside of the area that would represent a substantial population increase that would require additional fire and police services or facilities. The project does not include a residential component and would not result in the need for the construction of new schools, parks, or other public facilities. (Source: IX: 1 and 6) *No Impact.*

16. Recreation. The project would not generate population directly or indirectly. As such, the project would not increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur. The project does not include a recreational facility, nor require the construction or expansion of existing recreational facilities. No significant change in the demand for use of recreation facilities is expected. (Source: IX:1, 3, 6, 8 and 14) *No Impact.*

18. Tribal Cultural Resources. As identified in the baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting), cultural resources have been identified in Moss Landing. However, as discussed in Section II.A – Description of Project, of this Initial Study, the project would be limited to conducting operations within existing industrial structures and since there is no associated ground disturbance, the project would have no impact on archeological resources. ~~In accordance with Public Resources Code 21080.3.1,~~ The Esselen Tribe of

Monterey County and the Ohlone/Costanoan-Esselen Nation of Monterey County are culturally affiliated with the subject property's surrounding area and were therefore notified of the proposed project. In accordance with AB52 and Public Resources Code 21080.3.1, both tribes requested tribal consultation with Monterey County staff. Consultation occurred on ~~consulted with the Esselen Tribe of Monterey County and the Ohlone/Costanoan-Esselen Nation of Monterey County on~~ September 3, 2021. ~~-~~Tribal members Jana Nason and Louise Ramirez found that the project would not have a potential impact to tribal cultural resources because there were no known sacred sites on the subject property and the project does not include ground disturbance. No additional tribes were notified of the proposed project or requested consultation pursuant to AB52 and Public Resources Code 21080.3.1. (Source: IX: 1, 2, 3, 4, 6, and 8.) *No Impact.*

20. Wildfire. While nearly all of California is subject to some degree of wildfire hazard, there are specific features that make certain areas more hazardous. CAL FIRE is required by law to map areas of significant fire hazards based on fuels, terrain, weather and other relevant factors (Public Resources Code [PRC] 4201-4204, California Government Code 51175-89). The primary factors that increase an area's susceptibility to fire hazards include topography and slope, vegetation type and vegetation condition, and weather and atmospheric conditions. The project site is relatively flat with minimal wildland fire fuel. The project would not add trees to the sites and would not substantially alter the site to exacerbate wildfire hazards.

In California, responsibility for wildfire prevention and suppression is shared by federal, state and local agencies. Federal agencies have legal responsibility to prevent and suppress wildfires in Federal Responsibility Areas (FRAs). CAL FIRE prevents and suppresses wildfires in State Responsibility Area (SRA) lands, which are non-federal lands in unincorporated areas with watershed value, are of statewide interest, defined by land ownership, population density, and land use. Wildfire prevention and suppression in Local Responsibility Areas (LRA) are typically provided by city fire departments, fire protection districts, counties, and by CAL FIRE under contract to local government. CAL FIRE maps fire hazards based on zones, referred to as Fire Hazard Severity Zones. Each of the zones influence how people construct buildings and protect property to reduce risk associated with wildland fires. Under state regulations, areas within Very High Fire Hazard Severity Zones (VHFHSZ) must comply with specific building and vegetation management requirements intended to reduce property damage and loss of life within these areas. The project site is in a LRA and is not within a VHFHSZ. The nearest VHFHSZ is approximately 3.5 miles east of the project site.

~~The conversion of existing buildings for commercial cannabis~~ All existing buildings operating as commercial cannabis meet applicable fire and building code. The conversion of existing buildings for commercial cannabis activities

may require tenant improvements. Volatile manufacturing would include the use of hazardous materials, but not in quantities of 55 gallons and above for liquids, 500 lbs. and above for solids, and/or 200 cubic feet and above for gas. All tenant improvements would include fully protecting the structures with automatic fire sprinkler systems, fire extinguishers, and alarm systems, as required under the fire and building codes. ~~use would not require new infrastructure associated with fire prevention~~. The nearest waterway to the project sites is the Salinas River. There would be no impact related to flooding or landslides resulting from post-fire geologic conditions. (Source: IX: 1, 6, ~~17~~ and 18) *No Impact.*

B. DETERMINATION

On the basis of this initial evaluation:

☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.

☒ I find that although the proposed project could have a significant effect on the environment there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.

☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.

☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.

☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature

~~May 04, 2022~~November 15, 2022

Date

Anna Quenga, AICP *Principal Panner*

V. EVALUATION OF ENVIRONMENTAL IMPACTS

1) A brief explanation is required for all answers except “No Impact” answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A “No Impact” answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A “No Impact” answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on project-specific screening analysis).

2) All answers must take into account the whole action involved, including offsite as well as onsite, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.

3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.

4) "Negative Declaration: Less Than Significant With Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level mitigation measures from Section XVII, "Earlier Analyses," may be cross-referenced).

5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:

   a) Earlier Analysis Used. Identify and state where they are available for review.
   b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
   c) Mitigation Measures. For effects that are "Less than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.

6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.

7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.

8) The explanation of each issue should identify:

   a) The significance criteria or threshold, if any, used to evaluate each question; and
   b) The mitigation measure identified, if any, to reduce the impact to less than significance.

VI. ENVIRONMENTAL CHECKLIST

1. AESTHETICS **Would the project:**		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a)	Have a substantial adverse effect on a scenic vista?	☐	☐	☒	☒
b)	Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	☐	☐	☐	☒
c)	In non-urbanized area, substantially degrade the existing visual character or quality of public views of the site and its surroundings? (Public views are those that are experienced from publicly accessible vantage points). If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?	☐	☐	☒	☒
d)	Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	☐	☐	☒	☒

Discussion/Conclusion/Mitigation:

Views of the project site are partially obstructed by berms, fencing, and vegetation on the western and northern boundaries. Structures that are visible from the surrounding area consist of metal-clad industrial buildings and concrete water tanks. Existing safety lighting on the site as well as from the industrial development to the north is visible from surrounding areas. See baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting) and Section II.A – Description of Project, of this Initial Study.

Aesthetics 1(a, c, & d). Conclusion: Less than Significant.

Although the California Department of Transportation does not identify the nearby section of Highway 1 as a scenic corridor (Source: IX: 49), the North County CIP defines "Public Viewshed" as "the composite area visible from major public use areas and scenic corridors, including Highway 1, Highway 156, Elkhorn Slough Road, Elkhorn and Moro Cojo Sloughs, beaches, dunes, and wetlands, and views to and along the ocean shoreline from Highway 1, Molera Road, Struve Road, and public beaches, and views to and along the shoreline of Elkhorn Slough." In accordance with Moss Landing Community Plan Policy 5.6.2.1, development should be limited in scenic beach, dune, estuary, and wetland areas to protect the visual resources of Moss Landing. Although the subject property is visible from Highway 1, the existing development does not block views to and along the ocean shoreline from Highway 1, Molera Road, Struve Road, and public beaches. The southwestern property is screened by existing vegetation and trees. However, the northwestern corner of the property, where a majority of the 34 existing structures are located, is not screened and is fully visible from both directions along

Highway 1. The site is fully visible from Moss Landing Harbor and is associated shoreline. The site is not visible from Moro Cojo Slough due to topography and vegetation. As identified in the baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting) and Section II.A – Description of Project, of this Initial Study, the project site is an existing industrial park and as proposed, the project would be limited to conducting operations within existing industrial structures. Although not anticipated, if future tenant improvements result in an alteration of an existing structure's exterior, all proposed alterations shall be designed in a manner consistent with the Moss Landing Community Plan. As detailed in the prepared General Development Plan, and as conditioned, all proposed exterior lighting shall be downlit and unobtrusive; and if security lighting is required for safety purposes, it shall be motion activated. Portions of the existing parking areas may be used to store equipment. The outdoor storage areas would use temporary fences to provide screening from the public right of way. Therefore, the project would have a less than significant impact on scenic vistas or a state scenic highway, would not substantially degrade the existing visual character or public view and would limit new sources of substantial light or glare. (Source: IX:1, 3, 6, 8 and 14) Less than significant impact..~~See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.~~

Aesthetics 1(b). Conclusion: No Impact.

The proposed project would be limited to conducting commercial cannabis operations within existing industrial structures and minor interior tenant improvements. No ground disturbance would occur, no tree removal is proposed and none of the buildings meet the criteria for inclusion on the California Registry. Therefore, no scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway would be impacted.

2. AGRICULTURE AND FOREST RESOURCES

In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Dept. of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to information compiled by the California Department of Forestry and Fire Protection regarding the state's inventory of forest land, including the Forest and Range Assessment Project and the Forest Legacy Assessment project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board.

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	☐	☐	☐	☒
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?	☐	☐	☐	☒
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?	☐	☐	☐	☒
d) Result in the loss of forest land or conversion of forest land to non-forest use?	☐	☐	☐	☒
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:

See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

3. AIR QUALITY

Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations.

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?	☐	☐	☒	☐
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?	☐	☐	☒	☐
c) Expose sensitive receptors to substantial pollutant concentrations?	☐	☐	☒	☐
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?	☐	☐	☒	☐

Discussion/Conclusion/Mitigation:

Air Quality Standards and Attainment

-The project site is within the North Central Coast Air Basin (NCCAB), which is comprised of Monterey, Santa Cruz, and San Benito counties and is under the jurisdiction of the Monterey Bay Air Resources District (MBARD). As the local air quality management agency, MBARD is required to monitor air pollutant levels to ensure that state and federal air quality standards are met and, if they are not met, to develop strategies to meet the standards. Depending on whether the standards are met or exceeded, the NCCAB is classified as being in "attainment" or "nonattainment." The NCCAB is designated as nonattainment for the state PM_{10} standard and nonattainment-transitional for the state one-hour and eight-hour ozone standards. The NCCAB is in attainment or unclassified for all other federal and state standards (Source: IX:7).

Air Quality Management

Since the NCCAB is designated as nonattainment for the state ozone and PM_{10} standards, MBARD is required to implement strategies to reduce pollutant levels to recognized acceptable standards. In March 2017, MBARD adopted the *2012-2015 Air Quality Management Plan* (2015 AQMP) as an update to the 2012 AQMP (Source: IX:7). The 2015 AQMP is based on growth forecasts provided by the Association of Monterey Bay Area Governments (AMBAG) and assesses and updates elements of the 2012 AQMP, including the air quality trends analysis, emissions inventory, and mobile source programs. The 2015 AQMP only addresses attainment of the state eight-hour ozone standard because in 2012, the United States Environmental Protection Agency (U.S. EPA) designated the NCCAB as in attainment for the current national eight-hour

ozone standard of 0.075 parts per million (ppm). In October 2015, the national standard was reduced to 0.070 ppm. However, the NCCAB continues to be in attainment with the federal ozone standard.

All permitted cannabis operations proposed for the site are required to follow commercial cannabis regulations, established in Monterey County Code Sections 7.90 and 20.67. In accordance with these sections, all commercial cannabis operations must follow all pesticide use and waste disposal requirements of local, state and federal law. To prevent any unlawful or harmful exposure to or emissions from hazardous waste, chemicals or pesticides must follow standard operating procedures and adhere to Monterey County Agricultural Commissioner's Office and Department of Pesticide Regulations. Each of the cannabis permit application associated with this site has stated a similar statement regarding the storage, handling, use and disposal of hazardous substances: "all chemicals, pesticides and fertilizers are storage in an enclosed, locked designated storage container with appropriate signage and notice indicated hazardous materials are present." The storage of pesticides and fertilizers shall be labeled and locked per regulations established by the Agricultural Commissioner and Health Department. The County does not allow the burning of cannabis waste on the project sites. All cannabis waste will be hauled off-site (see Section II.B – *Solid Waste* of this Initial Study). The 5 proposed buildings to be repurposed into commercial cannabis operations will be required to follow these regulations.

All proposed cannabis operations need to have fire alarms, carbon monoxide detectors and gas detection systems. Gas detection system equipment shall be designed for use with the gases being detected and shall be installed in accordance with the manufacturers' instructions.

Significance Thresholds

Criteria for determining consistency with MBARD's AQMP are defined in Section 5.5 of the MBARD's *CEQA Air Quality Guidelines* (Source: IX:7). The project would be inconsistent with the MBARD AQMP, and therefore have significant cumulative air quality impacts, if it results in either of the following:

- Generates a population growth (directly related to project employment) that exceeds the population forecasted in the 2015 AQMP; or
- Generates air pollutant emissions during construction and/or operation that exceed the significance thresholds established by MBARD (See **Table 4**).

Table 4. Air Quality Thresholds of Significance (Operational and Construction Related Impacts)		
Pollutant	**Source**	**Threshold(s) of Significance**
Construction Impacts		
PM_{10}	Direct	82 lbs/day[1]
Operational Impacts		
VOC	Direct and Indirect	137 lbs/day
NO_X	Direct and Indirect	137 lbs/day
PM_{10}	On-site	82 lbs/day[2]
CO	N/A	LOS at intersection/road segment degrades from D or better to E or F or V/C ratio at intersection/road segment at LOS E or F increases by 0.05 or more or delay at intersection at LOS E or F increases by 10 seconds or more or reserve capacity at unsignalized intersection at LOS E or F decreases by 50 or more
	Direct	550 lbs/day[3]
SO_X (SO_2)	Direct	150 lbs/day

Notes: lbs/day = pounds per day; PM_{10} = particulate matter with a diameter of 10 micrometers or less; VOC = volatile organic compounds (also referred to as ROG, or reactive organic gases); NO_X = oxides of nitrogen; CO = carbon monoxide; SO_X = oxides of sulfur; SO_2 = sulfur dioxide

1 This threshold only applies if construction is located nearby or upwind of sensitive receptors. In addition, a significant air quality impact related to PM_{10} emissions may occur if a project uses equipment that is not "typical construction equipment" as specified in Section 5.3 of the MBARD *CEQA Guidelines*.

2 The District's operational PM_{10} threshold of significance applies only to on-site emissions, such as project-related exceedances along unpaved roads. These impacts are generally less than significant. For large development projects, almost all travel is on paved roads, and entrained road dust from vehicular travel can exceed the significance threshold.

3 Modeling should be undertaken to determine if the project would cause or substantially contribute (550 lbs/day) to exceedance of CO ambient air quality standards (AAQS). If not, the project would not have a significant impact.

Source: (IX:7)

Air Quality 3(a). Conclusion: Less than Significant.
According to MBARD's *CEQA Air Quality Guidelines*, a project that is in accordance with the implementation of the AQMP would have not a significant cumulative effect on regional air quality (Source: IX:7). Therefore, to determine the project's consistency with the AQMP, Staff compared the estimated project employment with the growth assumptions of the AQMP.

The project does not propose new development and would not change the land use designation with the County. However, the project does propose an increase of on-site employees from 262 to 273~~, as a result of the 5 proposed commercial cannabis operations~~. The GDP does not include the proposed employee count for existing warehouses being repurposed for commercial cannabis activities (Building Nos. 21, 22, 23, 30 and 31). The proposed employee count for these buildings is therefore based on a California Department of Food and Agriculture job analysis

study which determined that indoor commercial cannabis operations had full time equivalent employment or "FTE" of 0.88 FTE per 1,000 square feet of operations; the calculated FTE is rounded up to the nearest whole number (Source: IX:30). The project proposes to convert 5 warehouses, varying from 1,360 square feet to 2,400 square feet, into indoor commercial cannabis operations. This results in 11 additional employees (273 total). The exact square footage of proposed and on-going cannabis operations versus building square footage is unknown and therefore the additional 11 employees is a conservative figure. This approximation assumes that the existing cannabis operations will not require additional employees if there a change in cannabis activities and that the 5 repurposed warehouses will employ~~ee~~ new employees ~~and~~ rather than ~~not~~ transferring employment from the existing commercial cannabis operations. Therefore, the potential increase of overall employment in the County would be minor. Furthermore, the project's employment is not anticipated to employ individuals from outside of the County. If employed individuals were residents of other County's, this would represent an insubstantial population increase not accounted for in the AQMP. In addition, according to AMBAG's 2018 Regional Growth Forecast, employment in this region is projected to grow from 337,600 employees in 2015 to 395,000 employees in 2040. Therefore, the project's potential employment growth would be consistent with the anticipated growth in the region (Source: IX:31). Also, the net increase in the project's criteria pollutant emissions compared to baseline operations would not exceed MBARD thresholds for criteria pollutants. Given the information above, the proposed project would not result in exceeding the AMBAG growth forecasts and the project would be consistent with the 2015 AQMP. Impacts would be *less than significant*.

Air Quality 3(b). Conclusion: Less than Significant.

Construction Assumptions

The project does not propose any construction outside of the existing development footprint. The project consists of ~~r~~ongoing reuse of 28 of the existing 34 structures for cannabis cultivation, processing, manufacturing, and distribution activities. Twenty-three of the 28 structures are currently being utilized for commercial cannabis activities, while the remaining 5 are vacant and would be ~~epurposing~~ repurposed ~~empty warehouses (5)~~ for commercial cannabis usage. According to the MBARD's criteria for determining construction impacts, a project would result in a potentially significant impact if it would result in 8.1 acres of minimal earthmoving per day or 2.2 acres per day with major grading and excavation. The proposed project does not include any ground disturbance and therefore, the proposed project is below the threshold. Although the cannabis operations would primarily use existing warehouses or other buildings, minor interior retrofit work is anticipated. This work would not require heavy construction equipment. The amount of interior remodeling to occur is unknown at this stage of permitting, however it can be assumed that it is minor due to the current state of the warehouses and therefore will result in a less than significant construction related impact. The proposed tenant improvements would be similar to existing maintenance and upkeep of the existing uses on site, and, therefore, these emissions are accounted for in the region. In addition, the duration of the proposed tenant improvement activities would be temporary and intermittent.

Operation

Currently, all air quality impacts are a direct result of the operations occurring on site; the site is comprised of primarily cannabis operations, with a few industrial shops, one small office and one storage building. Cannabis operates in 23 of the existing 34 buildings. As proposed, the project seeks to allow ongoing reuse of 28 of the existing 34 structures for cannabis cultivation, processing, manufacturing, and distribution activities, which includes repurposinge 5 vacant warehouses for commercial cannabis operations. The square footage of the current and proposed uses is shown below in **Table 5**. The project proposes a total of 28 buildings used for commercial cannabis operations. All commercial cannabis activities would take place indoors.

Table 5. Square Footage per Land Use

Land Use	Baseline sq ft	Proposed sq ft
Commercial Cannabis	331,343	341,693
Research & Development	23,360	23,360
Industrial Shops	14,622	9,237
Office	2,770	2,770
Storage	225	5,610
Warehouse	11,120	0
Total	**385,070**	**385,070**

Table 5. Change in square footage per land use. Source: IX:11

Cannabis cultivation involves the planting, growing, harvesting, drying, curing, and trimming of cannabis. While cannabis manufacturing means any aspect of the cannabis extraction and infusion processes, including processing, preparing, holding, storing, packaging, or labeling of cannabis products. A study performed by the Northwest Power and Conservation Council concluded that lighting, HVAC (heating, ventilation, and air conditioning), and dehumidification account for up to 89% of the total end-use electricity consumption of indoor commercial cannabis cultivation. The remaining 11% of electricity consumption is generated by space heating, water handling, CO2 injection and the drying/curing process (Source: IX: 50). Cannabis manufacturing does not require the same energy-intensive equipment as cannabis cultivation, such as HVAC, 24/7 lighting and dehumidification As such, it is assumed that indoor cannabis cultivation is the most energy-intensive cannabis activity, rather than manufacturing, distribution or processing. Therefore, operational emissions were estimated for the maximum buildout of the project by assuming all 28 structures are operating as purely cannabis cultivators. Although 23 structures currently operate various cannabis activities, for the purpose of this Section of the Initial Study (Air Quality) and in order to determine the full impact of the proposed project, these 23 structures as well as the 5 vacant structures to be repurposed are assumed to only contain indoor cultivation operations.

Area sources of criteria air pollutants include fireplace/woodstoves, landscaping equipment exhaust, and consumer products. While consumer products are sources of reactive organic gas

emissions, they do not generally emit measurable GHG emissions, with the exception of fertilizers used in plant production. No fireplaces would be associated with the proposed project, and the County does not allow the burning of cannabis waste on the project sites. Therefore, the area sources assessed in this analysis are limited to landscaping equipment exhaust and fertilizers associated with the project site.

In summary, i~~I~~mpacts to air quality from operational-related activities would be ~~minor in nature~~*less than significant* in comparison to the current operational impacts to air quality. ~~Based on criteria established in MBARD's *CEQA Air Quality Guidelines* (Source: IX:7), the project's impacts on criteria air pollution would be significant if the project would result in air pollutant emissions during construction or operation that exceed the thresholds in **Table 4**. The project does not propose any construction and therefore will not create more 82 pounds of PM_{10} per day, and as a result, is considered below the threshold of significance. The project generates less than 110 daily trips (see Section VI.17 – Transportation, of this Initial Study), which the Office of Planning and Research (OPR) considers to be a less than significant impact to transportation. As a result, it can be assumed that 110 trips or less would also generate CO emissions below the MBARD threshold of significance.~~

Air Quality 3(c). Conclusion: Less than Significant

According to the MBARD *CEQA Guidelines* (Source IX:7), a sensitive receptor is defined as any residence or living quarters; educational facilities such as preschools, kindergarten and grade schools; daycare centers; and health care facilities including retirement and nursing homes. Although the surrounding environmental is primarily rural and agricultural, there are nearby residential zoned parcels (approximately 0.6 miles south from the nearest building on the subject lot) (Source IX:14). Therefore, the only type of sensitive receptor near the site are single-family residences. Exposure of sensitive receptors to substantial pollutant concentrations could occur operation from CO hotspots and generators.

CO Hotspots

Although the project does not propose any construction, the new cannabis operations would generate additional vehicle trips on adjacent roadways. "CO Hotspots" are concentrations of CO created from high vehicle density and could potentially expose sensitive receptors to harmful levels of pollution. The NAAQS for CO is 35.0 ppm and the CAAQS for CO is 20.0 ppm. MBARD only provides screening thresholds for CO hotspot impacts but does not have a threshold of significance. Therefore, Staff utilized the CO threshold from the Bay Area Air Quality Management District (BAAQMD). BAAQMD is the adjacent air district just north of MBARD. Using the BAAQMD threshold is appropriate in this case as it has similar climatic conditions to MBARD (cool-summer Mediterranean climate). The BAAQMD determined CO threshold of significance is 44,000 vehicles per hour. As stated in the Traffic Impact Assessment, the project does not generate hourly traffic volumes exceeding 44,000 vehicles (Source: IX: 11). Therefore, the project would not result in volumes of traffic that would exceed the NAAQS or CAAQS standards for CO. Impacts would be *less than significant*.

Generators

Project generators could also result in emissions of diesel particulate matter (DPM). It is assumed that the existing commercial cannabis operations utilize generators and therefore, additional use of generators for proposed commercial cannabis operations would not represent a new source of DPM. The DCC regulations for cannabis cultivation must be implemented for project power sources and generators. Section 16306 and 16305 of the DCC regulations provide generator requirements and identification of all power sources for cultivation activities for indoor and mixed-light license types. These regulations also require renewable energy requirements for all indoor commercial cannabis activities. With required compliance with the DCC regulations, exposure of sensitive receptors to substantial pollutant concentrations from generators would be *less than significant*.

Air Quality 3(d). Conclusion: Less than Significant.

Odors from cannabis operations may be detectable off site and prevailing winds from the west can transport odors east toward odor receptors. Health and Safety Code Section 41705 exempts agricultural operations from odor related nuisances. Therefore, the cannabis operations within existing warehouses are considered to be agricultural and odors resulting from the operations would not be considered a nuisance.

As previously stated, the only type of sensitive receptor near the site are single-family residences. Due to the location of the site and the proximity to nearby residential zoned parcels, impacts to sensitive receptors is less than significant.

Monterey County Code Section 7.90.100.A.8 requires all commercial cannabis applicants to incorporate odor prevention devices and techniques, such as ventilation systems with a carbon filter, to ensure that odors are not detectable offsite. In addition, in accordance with Monterey County Code Section 7.90.100.A.16, the commercial cannabis operations must each provide a point of contact. This allows the public to submit issues and concerns directly to the cannabis operation, concerns may include odors. The project is required to comply with odor control measures and therefore would not expose a substantial number of people to objectionable odors. Impacts would be *less than significant*. (Source IX: 14 and 45)

4. BIOLOGICAL RESOURCES **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	☐	☐	☒	☒
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, or regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	☐	☐	☒	☒
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	☐	☐	☒	☒
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	☐	☐	☒	☒
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	☐	☐	☐	☒
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:

The project site includes wetland areas consisting of 12.04 acres of Freshwater Emergent Wetland habitat on the eastern portion of the project site, as identified by the United States Fish and Wildlife Service (USFWS). Moro Cojo Slough is located south and east of the project site and contains 12.13 acres of Estuarine and Marine Wetland habitat. West of the project site across Highway 1 are additional large, mapped areas of Estuarine and Marine Deepwater habitat and Estuarine and Marine Wetland, where the Moro Cojo Slough and Elkhorn Slough connect to the Pacific Ocean. Additionally, the project site is across Highway 1 from the Moss Landing Harbor, which connects to the Elkhorn Slough State Marine Conservation Area. While the project site and its surroundings include high quality biological habitat, the subject property is an industrial park containing industrial structures, paved parking areas, and ruderal vegetation (see baseline

discussion found in Section II.B - Surrounding Land Uses and Environmental Setting, of this Initial Study) resulting in an area with minimal habitat value (Source: IX:1, 3, 6, 8 and 14). ~~See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.~~

Biological Resources 4(a, b, d) – Less Than Significant.

The project site is across Highway 1 from the Moss Landing Harbor, which connects to the Elkhorn Slough State Marine Conservation Area. While the project site surroundings include high quality habitat, the portion of the project site that the project would affect is an industrial park. The project would repurpose existing facilities and does not include any ground disturbing activities that would result in a substantial adverse impact nearby habitat or species. The industrial park portion of the project site contains structures, paved parking areas, and lacks suitable vegetation to support a wildlife nursery (i.e., the industrial park contains minimal habitat value).

Cannabis cultivators applying for an Annual License from the California Department of Cannabis Control and are required to prepare a Lake and Streambed Alteration Agreement (LSA) or written verification that one is not needed. An LSA is required by any person, state, local governmental agency, or public utility prior to beginning any activity that may do one or more of the following: divert or obstruct the natural flow of any river, stream, or lake; change the bed, channel, or bank of any river, stream, or lake; use material from any river, stream, or lake; or deposit or dispose of material into any river, stream, or lake. An LSA is not warranted because the project would not result in impacts to California Department of Wildlife (CDFW) jurisdictional habitat.

Redevelopment of the industrial park would increase human activity at the project site, which could result in effects on nearby habitat and species associated with urban development near wildlife, such as litter and night-time lighting. However, the project site is already developed and used for commercial operations. As detailed in the prepared General Development Plan, and as conditioned, all proposed exterior lighting shall be downlit and unobtrusive; and if security lighting is required for safety purposes, it shall be motion activated. Additionally, for any exterior construction activity, such as the installation of the proposed roof-mounted solar panels, that occurs during the typical bird nesting season (February 22-August 1, the applicant would be required to submit to HCD-Planning a raptor and migratory bird survey. Therefore, impacts to wildlife movement would be less than significant. The General Development Plan (Source IX: 1) proposes "Commercial Cannabis Activities" in 28 of the 34 existing buildings and therefore assumes that all 28 buildings would engage in cannabis cultivation, cannabis processing, distribution, and manufacturing (volatile and non-volatile). The cultivation of cannabis may require the use and storage of nominal amounts of potentially hazardous materials such as fuel for power equipment and backup generators, and pesticides. Additionally, cultivation operations may use high-powered indoor lights, which may contain hazardous components that could enter the environment through disposal. There will be no hazardous byproduct from hazardous materials during the cultivation and manufacturing process, and therefore, no hazardous waste would be produced, and no hazardous air emissions would be emitted. In the case that hazardous waste is produced, it will be transported to a hazardous waste facility to prevent potential

exposure to the surrounding environment. To prevent any unlawful or harmful exposure to or emissions from hazardous waste, chemicals or pesticides associated with cannabis operations must follow standard operating procedures and adhere to Monterey County Agricultural Commissioner's Office and Department of Pesticide Regulations. All pesticides and fertilizers are properly labeled and stored to avoid contamination through erosion, leakage, or inadvertent damage. All waste, pesticides and hazardous materials are disposed of in accordance with county code; this includes plant nutrients and plant debris. Furthermore, natural and built features buffer the site from nearby habitat, as described below under threshold "c". Therefore, the proposed project would not result in substantial effects on special status species, riparian habitat, or other sensitive natural communities, nor interfere with wildlife movement. Impacts would be *less than significant*.

Biological Resources 4(c) – Less Than Significant.
The USFWS identifies 12.04 acres of Freshwater Emergent Wetland habitat on the eastern portion of the project site. South-adjacent to the site, the Moro Cojo Slough is identified as a 34.74 acre Estuarine and Marine Deepwater habitat, with 12.13 acres of Estuarine and Marine Wetland habitat between the Moro Cojo Slough and the project site. West of the project site across Highway 1 are additional areas of Estuarine and Marine Deepwater habitat and Estuarine and Marine Wetland, where the Moro Cojo Slough and Elkhorn Slough connect to the Pacific Ocean-.

The proposed project would redevelop existing structures. No demolition or construction is proposed. The wetlands on the eastern portion of the site are off-limits to staff and visitors, and are separated from the developed portion of the site by thick vegetation. The wetlands south of the site are buffered from the project site by the magnesium hydroxide deposit on the southern portion of the site, and the wetlands west of the site are buffered by Highway 1 and tree rows. The proposed commercial activity at the industrial park would not result in direct removal, filling, hydrological interruption, or other effects on the wetlands on and around the project site. Impacts would be *less than significant.*

Biological Resources 4(e) – No Impact. The proposed project does not include tree removal or other activity that could conflict with a policy or ordinance protecting biological resources. There would be *no impact*.

Biological Resources 4(f) – No Impact. The project site is not within the boundary of a Habitat Conservation Plan, Natural Community Conservation Plan, or other local, regional, or state habitat conservation plan. There would be *no impact*.

5. CULTURAL RESOURCES **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource pursuant to 15064.5?	☐	☐	☐	☒
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to 15064.5?	☐	☐	☐	☒
c) Disturb any human remains, including those interred outside of formal cemeteries?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

6. ENERGY **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?	☐	☐	☒	☐
b) Conflict with or obstruct a state or local plan for renewable energy efficiency?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:

Energy 6(a). Conclusion: Less Than Significant.
As proposed, 28 of the 34 existing buildings would be used for commercial cannabis activities, the remaining 6 buildings uses would not change. Energy consumption data from 5 existing Moss Landing Commercial Park commercial cannabis operators, between 2019 and 2020, was submitted to staff by the applicant. From this data, staff was able to calculate the average kWH per square foot per year for each operator which submitted data; annual kWH per square foot ranged from 55 to 191~~. Therefore~~, with an ~~the~~ average annual kWH per square foot ~~would be~~of 123.

An *EQ Research* report on the energy impacts of cannabis cultivation that found Colorado, California and North Carolina indoor cultivators operating year-round were consuming approximately 150 kWh of energy per square foot (Source: IX:21). This energy use

approximation is consistent with a California Public Utilities Commission (CPUC) workshop report that found in Washington state, indoor cultivators operating year-round were consuming approximately 150 Watts/sf of energy (Source: IX:53) Due to the minimal data received from the Park's commercial cannabis operators (5 out of 23), using EQ Research's 150 annual kWH per square foot is a more appropriate and conservative assumption for determining the energy consumption of the proposed project. Therefore, the proposed cannabis operations (28 structures totaling 341,693 square feet) would require approximately 52,153,950 kWh of energy per year. This approximation assumes the 28 structures are only operating as cultivation and is therefore a conservative analysis because cultivation is considered to be the most energy-intensive cannabis activity. When compared to the existing annual energy usage (51,106,707.2 kWh), the proposed project would increase the project site's annual energy demand by 1,047,243 kWh, or 1.02%. ~~Due to the minimal data received from the park's commercial cannabis operators (5 out of 23), using EQ Research's 150 annual kWH per square foot is a more appropriate and conservative assumption for determining the energy consumption of the additional 5 warehouses. Furthermore, repurposing 5 warehouses into commercial cannabis operations would increase the overall annual energy consumption of the site by approximately 1,594,608 kWH (totaling 52,701,315.2 kWh per year). This increase in comparison to the existing energy consumption calculation is extremely low due to the small square footage of each warehouse being repurposed (1,800 to 2,400 square feet).~~

Although no development is proposed, it is anticipated that most, if not all, of the existing warehouses would likely require interior remodeling to support the commercial cannabis operations. Energy use during remodeling activities would be temporary in nature, and construction equipment used would be typical of similar-sized projects in the region. In addition, construction contractors would be required to comply with the provisions of 13 California Code of Regulations (CCR) Sections 2449 and 2485, which prohibit diesel-fueled commercial motor vehicles and off-road diesel vehicles from idling for more than five minutes to minimize unnecessary fuel consumption. Construction equipment would also be subject to the U.S. EPA Construction Equipment Fuel Efficiency Standard (40 Code of Federal Regulations [CFR] Parts 1039, 1065, and 1068), which would minimize inefficient fuel consumption. Therefore, future remodeling activities would not result in potentially significant environmental effects due to the wasteful, inefficient, or unnecessary energy consumptions.

The proposed cannabis operations would generate energy demand for electricity for ventilation, heating and cooling, and lighting. In addition, the building space used for distribution, manufacturing, processing, and cultivation may use natural gas heating in addition to electricity. A study performed by the Northwest Power and Conservation Council concluded that lighting, HVAC (heating, ventilation, and air conditioning), and dehumidification account for up to 89% of the total end-use electricity consumption of indoor commercial cannabis cultivation (Source: IX:50). As such, indoor cannabis cultivation is assumed to be the most energy-intensive cannabis activity, rather than manufacturing, distribution or processing.

The project's indoor cannabis operations would be required to generate 50 percent of their energy demand through renewable energy (per Monterey County Code Section 20.67.040.B.9), which would limit the overall electricity demand from PG&E. The project would also implement

State regulations for cannabis cultivation, contained in Title 3, Division 8, Chapter 1 of the California Code of Regulations, that are related to energy efficiency and conservation. The regulations aim to reduce the current levels of GHG emissions produced in California from indoor cultivation (including nurseries) and support the state's GHG reduction target (specifically, to assist in achieving the Senate Bill (SB) 32 goal of reducing statewide GHG emissions to 40 percent below 1990 levels by 2030). Implementation of these measures, which is required by law, would further reduce the energy demand for the project's cannabis operations.

In conclusion, the energy demand from ~~repurposing 5~~ongoing reuse of 28 structures for ~~warehouse into~~ commercial cannabis operations would be similar to existing uses and would not result in wasteful, inefficient, or unnecessary consumption of energy resources. Operation of the project would increase gasoline, electricity, and natural gas consumption due to increased vehicle trips and operational energy needs. However, this increased demand would represent a small proportion of demand from energy providers. The project would be required to comply with applicable regulations related to energy efficiency and conservation. Therefore, project operation would not result in wasteful or unnecessary energy consumption. Impacts would be *less than significant* (Source: IX: 5, 21, 22, and 43)

Energy 6(b). Conclusion: No Impact.
The Monterey County Municipal Action Plan (MCAP), adopted in 2013, has established policies to support the County's goal of reducing municipal GHG emissions to 15 percent below the 2005 baseline levels by the year 2020 (Source: IX:33). Relevant MCAP statewide policies that relate to the proposed project and involve energy efficiency or renewable energy are as follows (Source: IX:33):

- **S-1: Renewable Portfolio Standard (RPS). "**Obligates investor-owned utilities (IOUs), energy service providers (ESPs), and Community Choice Aggregations (CCAs) to procure an additional 1% of retail sales per year from eligible renewable sources until 20% is reached, no later than 2010. The RPS set forth a longer range target of procuring 33% of retail sales by 2020. SB X 1-2 expands and preempts the RPS to obligate all California electricity retailers in the state (including publicly owned utilities, investor owned utilities, electricity service providers, and community choice aggregators) to obtain at least 33% of their energy from renewable resources by the year 2020."
- **S-2: Pavley (AB 1493) and Advanced Clean Cars. "**Requires CARB to adopt vehicle standards that will lower GHG emissions from new light duty autos to the maximum extent feasible beginning in 2009. Additional strengthening of the Pavley standards (Advanced Clean Cars) has been proposed for vehicle model years 2017– 2025. Together, the two standards are expected to increase average fuel economy to roughly 43 miles per gallon by 2020 (and more for years beyond 2020) and reduce GHG emissions from the transportation sector in California by approximately 14%."
- **S-3: Low Carbon Fuel Standard. "**Mandates the following: (1) that a statewide goal be established to reduce the carbon intensity of California's transportation fuels by at least 10% by 2020, and (2) that a low carbon fuel standard for transportation fuels be established in California."

These MCAP policies are statewide laws incorporated by the County via the MCAP. PG&E would have to comply with Policy S-1 (the Renewable Portfolio Standard (RPS)) to achieve the required reductions. The proposed project will not interfere with PG&E's renewable energy goal. Finally, the project's overall energy usage would benefit from the RPS requirements since they increased energy efficiency.

Policies S-2 and S-3 would be implemented through increased vehicle fuel efficiency. Implementation of the project would not interfere with these increased efficiencies, and vehicle use related to the project would benefit from the increased energy efficiencies of these measures.

In addition to the MCAP policies, the project would be required to comply with the California Department of Cannabis Control (DCC) regulations for cannabis cultivation, pertaining to power sources and generators.

DCC regulations for cannabis cultivation must be implemented for project power sources and generators. DCC regulations sections 16305 and 16305 provide renewable energy and generator requirements, respectively. Beginning January 1, 2023, Section 16305 requires all indoor, tier 2 mixed-light, and nurseries using indoor tier 2 mixed-light techniques must ensure that electrical power used for commercial cannabis activity meets the average greenhouse gas emissions intensity required by their local utility provider pursuant to the California Renewables Portfolio Standard Program, beginning January 1, 2023 (Source: IX:43). The project would not conflict with state or local renewable or energy efficiency plans and therefore would result in *no impact*.

7. GEOLOGY AND SOILS **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	☐	☐	☒	☐
ii) Strong seismic ground shaking?	☐	☐	☒	☐
iii) Seismic-related ground failure, including liquefaction?	☐	☐	☒	☐
iv) Landslides ?	☐	☐	☒	☐
b) Result in substantial soil erosion or the loss of topsoil?	☐	☐	☒	☐
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	☐	☐	☒	☐
d) Be located on expansive soil, as defined in Chapter 18A of the 2007 California Building Code, creating substantial direct or indirect risks to life or property?	☐	☐	☒	☐
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	☐	☐	☒	☐
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	☐	☐	☒	☐

Discussion/Conclusion/Mitigation:

A geological report was conducted to better understand the geological impacts and impacts that could occur from geological events. The report, conducted by "CapRock Geology, Inc.", on March 5, 2007 (Source: IX:10), states that the subject property lies in a highly seismically active region, with no active faults crossing the property. The report states that the maintenance of good vegetative ground cover would substantially reduce risk of erosion at the property. The report determined that the geologic risks associated with the proposed project are no greater than those

currently existing at the site. This is likely deemed the case in the report, as there is no development being proposed, only a change in use at the site.

Geology and Soils 7(a). Conclusion: Less than Significant.

Fault Rupture and Ground Shaking

As shown in the Monterey County General Plan Regional Faults Map, the Reliz fault zone, which is not active, is located approximately 10 miles south of the project site (Source: IX:1, 2 and 34). The San Andreas fault zone is located approximately 12 miles east of the project site. Due to the distance to active fault zones, there is no potential for surface-fault rupture at the project site. The project would not facilitate construction of any new habitable structures or facilities that would be occupied by people. Anticipated improvements would be limited to retrofitting existing structures, which would improve seismic safety. While the use of these buildings would be intensified, the potential for impacts from fault rupture and ground shaking would not be exacerbated. Impacts related to fault rupture and ground shaking would be *less than significant.*

Seismic Ground Failure

Liquefaction is defined as the sudden loss of soil strength due to a rapid increase in soil pore water pressures resulting from seismic ground shaking. Liquefaction most often occurs in loose saturated silts and saturated, poorly graded, fine-grained sands. According to the Monterey County Geologic Hazards Map, the project site is in an area of variable to high potential for liquefaction (Source: IX:35). The project does not include habitable structures that would be occupied by people and would not expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death resulting from liquefaction. Therefore, impacts related to seismic ground failure, including liquefaction, would be *less than significant*.

Slope Stability and Landslides

Landslides result when the driving forces that act on a slope (i.e., the weight of the slope material, and the weight of objects placed on it) are greater than the slope's natural resisting forces (i.e. the shear strength of the slope material). The project site is predominantly flat and, according to the General Plan and the California Department of Conservation, the site is in an area with low earthquake-induced landslide susceptibility (Source: IX: 1, 2, 3 and 35). Impacts related to slope stability and landslides would be *less than significant*.

Geology and Soils 7(b). Conclusion: Less than Significant.

The project would result in reuse of existing structures. Therefore, soil erosion and loss of topsoil is not anticipated. As part of the operational component, soil erosion could occur from vehicular or pedestrian transport over areas not covered with asphalt. This activity would have a low potential to occur since the site is very well developed (Source: IX:10). The impact would be *less than significant*.

Geology and Soils 7(c). Conclusion: Less than Significant.

The proposed project involves the use of existing structures for cannabis cultivation, industrial, and research purposes. Moderate slopes on the property make it unlikely that land sliding would occur on the property. Slope instability hazards are not likely to affect the subject property and

impacts from vehicular use or pedestrian use from the proposed project use will be *less than significant*. (Source: IX:1 and 10)

Geology and Soils 7(d). Conclusion: Less than Significant.
The geological report does not specifically discuss expansive soil. However, it clarifies that the geologic risks associated with the proposed project would be no greater than those currently existing (Source: IX:10). Therefore, impacts from use of existing structures located on any potentially expansive soil would be *less than significant*.

Geology and Soils 7(e). Conclusion: Less than Significant.
The proposed project does not include the addition of new septic systems. Soils that have been previously supporting the existing septic systems would continue to do so with no greater risk than currently existing. The developed portion of the property has low potential for liquefaction, and vegetative cover would prevent significant erosion (Source: IX:6). *Impacts would be less than significant*.

Geology and Soils 7(f). Conclusion: Less than Significant.
The Moss Landing Commercial Park is located between the Elkhorn Slough and the Moro Cojo Slough. Any impacts to this unique geological area have already occurred with construction of the structures and use of the existing structures would have a very low impact on this already developed area. There is no knowledge of paleontological resources in the area and use of existing structures should cause a less than significant impact on any potential paleontological resources. Impacts would be *less than significant*.

8. GREENHOUSE GAS EMISSIONS **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	☐	☐	☒	☐
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	☐	☐	☒	☐

Discussion/Conclusion/Mitigation:

Greenhouse Gas Emissions (a) and (b). Conclusion: Less Than Significant Impact.
Neither the state, MBARD, or the County have adopted GHG emissions thresholds. The 2017 Scoping Plan does not provide specific guidance to local jurisdictions for determining the number of emission reductions to be achieved from land use plans or projects. Instead, it recommends local governments adopt policies and locally-approved quantitative thresholds

consistent with a statewide per capita goal of six MT CO_2e by 2030 and two MT CO_2e by 2050. While the County does have a GHG emissions reduction plan for reductions out to 2020, it does not identify a locally appropriate quantitative threshold. In addition, MBARD has not provided quantitative thresholds to evaluate GHG impacts associated with land use projects.

However, it is important to note that other air districts within the State of California have adopted recommended CEQA significance thresholds for GHG emissions. For instance, on March 28, 2012, the San Luis Obispo Air Pollution Control District (SLOAPCD) Board approved thresholds of significance for the evaluation of project-related increases of GHG emissions; SLOAPCD is the air district south of NCCAB. The SLOAPCD's significance thresholds include both qualitative and quantitative threshold options, which include a threshold of 1,150 MT CO2e/year. The GHG significance thresholds are based on AB 32 GHG emission reduction goals, which take into consideration the emission reduction strategies outlined in ARB's Scoping Plan. Development projects located within these jurisdictions that would exceed these thresholds would be considered to have a potentially significant impact on the environment which could conflict with applicable GHG-reduction plans, policies and regulations. Projects with GHG emissions that do not exceed the applicable threshold would be considered to have a less-than-significant impact on the environment and would not be anticipated to conflict with AB 32 GHG emission-reduction goals.

As noted above, MBARD has not yet adopted recommended GHG significance thresholds applicable to development projects. In the interim, the MBARD recommends use of other thresholds, such as those adopted by the SLOAPCD. For purposes of this analysis, project-generated emissions in excess of 1,150 MT CO_2e/year would be considered to have a potentially significant impact.

The proposed project would contribute GHG emissions that are associated with global climate change. Greenhouse gas emissions would be generated by the proposed project from sources that include vehicle trips, on-site electricity consumption, on-site natural gas combustion, water use (electricity consumption from pumping and treatment), and wastewater generation (electricity consumption from pumping and treatment), and solid waste disposal (decomposition of solid waste disposed in a landfill). Application of nitrogen-based fertilizers results in the release of N_20, which volatilizes over time. Efficient application of fertilizers has implications on GHG emissions, crop yield, and production costs (due to the cost of the fertilizer). Published data regarding the nitrogen-based fertilizer application rate for cannabis cultivation is limited. The U.S. Department of Agriculture has studied ideal "benchmark" application rates by region for maximization of a crop yield for crops including corn, cotton, and wheat (Source: IX.51). Benchmark application rates for these crops range from 85 to 174 pounds per acre. This was multiplied by the total square footage of the 28 structures and the Global Warming Potential (GWP) of N_2O of 298.

The project would incrementally increase energy consumption and fertilizer use at the project site and traffic in the surrounding vicinity, thus increasing greenhouse gas emissions. Although the project does not include any development outside of the existing structures, tenant improvements are anticipated. Energy consumption and the generation of greenhouse gas

emissions will be temporary and minor in nature during these anticipated tenant improvements. Therefore, construction related emissions will be less than significant. Operationally, the project would generate new and permanent greenhouse gas emissions; however, they would not be substantial given that 23 of the 28 analyzed structures already operate commercial cannabis activities. Ongoing reuse of the 23 structures and repurposing 5 vacant structures into commercial cannabis activities would have a minimal impact on the existing operational emissions and therefore is assumed to be less than 1,150 MT CO_2e/year. 19 additional daily trips would be generated by the proposed reuse of 5 warehouses into commercial cannabis operations (building no(s). 21, 22, 23, 30, 31). Therefore, the greenhouse gas emissions associated with this trip generation are also assumed to be less than significant.

Energy GHG emissions would be higher under proposed cannabis operations because the project proposes 5 additional cannabis operations in existing structures. Impacts associated with wastewater services and infrastructure typically relate to municipal wastewater, such as sewage. Given the agricultural nature of cannabis cultivation, it is not anticipated that the implementation of the proposed project would result in substantial new wastewater generation, as cannabis cultivation and other agricultural operations typically result only in the generation of agricultural runoff from outdoor cultivation sites and disposal of mineral-nutrient-rich water used in hydroponic operations that are addressed and regulated separately from municipal wastewater. However, due to the current overloaded conditions of 2 of the 7 septic systems and the proposed employee increase (11), Mitigation Measure No. 1 would reduce wastewater impacts to a less than significant level. ~~W~~Solid waste GHG emissions would be higher under proposed cannabis operations due to the increase in product waste associated with cannabis cultivation. However, the employee-generated waste would be disposed of at either the Johnson Canyon Sanitary Landfill or the Monterey Peninsula Landfill, both of which have substantial remaining capacity, and the plant trimming waste would be minimized by composting requirements pursuant to DCC regulation16309 and Public Resources Code §17223. Water GHG emissions would be higher under existing operations due to the higher water demand associated with cultivation. However, as analyzed in Section IV.19, the proposed project will result in a less than significant increase of on-site water demand. ~~the project includes converting 5 vacant warehouses into commercial cannabis operations.~~

Commercial cannabis operations are the primary use on the subject property. Monterey County does not have a greenhouse gas reduction plan by which consistency or conflicts can be measured; however, the proposed project does not conflict with the policy direction contained in the Monterey County Municipal Climate Action Plan (Source: IX: 33) or AMBAG's 2040 Metropolitan Transportation Plan/Sustainable Communities Strategy (Source: IX: 31) because it would only represent an incremental increase in greenhouse gas emissions as it only involves the conversion of existing warehouses into commercial cannabis operations on a site that is zoned for such a use.

~~19 trips would be generated by the proposed reuse of 5 warehouses into commercial cannabis operations (building no(s). 21, 22, 23, 30, 31). Per Office of Planning and Research guidance, projects that generate or attract fewer than 110 trips per day generally may be assumed to cause a less-than-significant transportation impact. Furthermore, the greenhouse gas emissions associated~~

~~with this trip generation are also assumed to be less than significant. See additional impacts in the Section IV.17, *Transportation,* of this Initial Study.~~ Therefore, the proposed project would not result in significant increases in greenhouse gas emissions or conflict with an applicable plan, policy or regulation. Impacts would be *less than significant.*

9. HAZARDS AND HAZARDOUS MATERIALS **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	☐	☐	☒	☐
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	☐	☐	☒	☐
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	☐	☐	☐	☒
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	☐	☐	☐	☒
e) 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 or excessive noise for people residing or working in the project area?	☐	☐	☐	☒
f) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☒
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?	☐	☐	☒	☐

Discussion/Conclusion/Mitigation:

Compared to other cannabis activities, the manufacturing process of commercial cannabis operations has the greatest potential to use hazardous materials. Therefore, for the purpose of this Section of the Initial Study (Hazards and Hazardous Materials) and in order to determine the full

impact of the proposed project, the existing and proposed cannabis operations are assumed to only contain volatile operations.

Hazards and Hazardous Materials 9(a) and (b). Conclusion: Less Than Significant Impact. ~~The project would continue to use buildings for cannabis cultivation purposes.~~ The General Development Plan (Source IX: 1) proposes "Commercial Cannabis Activities" in 28 of the 34 existing buildings and therefore assumes that all 28 buildings would engage in cannabis cultivation, cannabis processing, distribution, and manufacturing (volatile and non-volatile). The cultivation of cannabis may require the use and storage of nominal amounts of potentially hazardous materials such as fuel for power equipment and backup generators, and pesticides. Additionally, cultivation operations may use high-powered lights, which may contain hazardous components that could enter the environment through disposal. Heavy Industrial-zoned sites, such as the subject property, do allow volatile manufacturing, which could include the use of butane, hexane, and/or propane. Currently only 1 operator engages in volatile and non-volatile manufacturing and 3 are in the process of obtaining appropriate licensing. The most common form of volatile manufacturing is "Solvent Extraction," which removes essential oils from cannabis plant matter. The oils are then distilled and separated it into desired compounds. Common process "solvents" include Ethanol, other flammable liquids, Butane and Carbon Dioxide. Most are toxic and highly flammable while CO2 is toxic and can cause asphyxiation (Source IX: 52). Flammable solvents require storage, piping, valves and controls for proper process operation and safety. Applicable laws of the California Fire Code, California Building Code and DCC contain requirements for ventilation, gas monitoring alarms, and control of ignition sources where flammable materials are used (Source IX: 43). All existing and proposed commercial cannabis operations would adhere to these regulatory requirements, as well automatic fire sprinkler systems, fire extinguishers, and alarm systems requirements of the California Building Code and Fire Code. ~~The General Development Plan (Source IX: 1) proposes "Commercial Cannabis Activities" in 28 of the 34 existing buildings and therefore assumes that all 28 buildings would engage in cannabis cultivation, cannabis processing, distribution, and manufacturing (volatile and non-volatile).~~

Any operator pursuing cannabis manufacturing would be required to obtain proper licensing through the Department of Cannabis Control (DCC) and through the Monterey County Cannabis Program. DCC manufacturing regulations include the following best management practices: 1) implementing a quality control program to ensure that cannabis products are not adulterated or misbranded; 2) providing adequate wastewater treatment systems, water supply and restrooms; 3) maintain equipment (cleaning and sanitation); and 4) implementing a training program and procedures for personnel working in manufacturing.

Cannabis plants and byproduct are organic waste and are not considered hazardous, as defined in Public Resources Code (PRC) Section 42649.8(c). The proposed project would handle cannabis waste in accordance with PRC Section 17223 - Waste Management, where state disposal requirements allow composting of some organic waste on-site and remaining waste would be hauled to a facility that recycles organic material. Transport of any cannabis product requires a track and trace system to account for all cannabis product leaving the site.

The applicant submitted the hazardous material questionnaire to the County Environmental Health Bureau (EHB) Hazardous Materials Management Services on January 18, 2017, that states that the proposed project would not be using ~~not be using any hazardous materials. There would be no use of~~ hazardous materials in quantities of 55 gallons and above for liquids, 500 lbs. and above for solids and/or 200 cubic feet and above for compressed gases. Therefore, t~~T~~here would be no use of any acutely hazardous material, nor would there be use of underground storage tanks to store hazardous materials. There will be no hazardous byproduct from hazardous materials during the cultivation and manufacturing process, and therefore, no hazardous waste would be produced, and no hazardous air emissions would be emitted. In the case that hazardous waste is produced, it will be transported to a hazardous waste facility, including unused fertilizers and pesticides. ~~The proposed project would not be generating any quantities of hazardous waste, and the proposed project would not be emitting any hazardous air emissions.~~ This form was signed by the owner/operator.

The project site would be required to comply with existing federal, state, and local laws regulating the use and disposal of any hazardous materials used. DCC regulations 15011(a)(12), 16304(a)(5), 16307, 16309, and 16310 require the preparation of a pest management plan and outline pesticide use requirements. In accordance with DCC regulation 16310, a pest management plan shall include, but not be limited to, the following: (a) product name and active ingredient(s) of all pesticides to be applied to cannabis during any stage of plant growth; and (b) integrated pest management protocols, including chemical, biological, and cultural methods the applicant anticipates using to control prevent the introduction of pests on the cultivation site. In addition, DCC regulation 16307 outlines pesticide use requirements, including: (a) licensees shall comply with all pesticide laws and regulations enforced by the Department of Pesticide Regulation; and (b) for all pesticides that are exempt from registration requirements, licensees shall comply with all pesticide laws and regulations enforced by the Department of Pesticide regulation and with the following pesticide application and storage protocols (Source: IX. 43). Additionally, the transportation of hazardous materials is subject to the Hazardous Material Transportation Act of 1975, which provides procedures and policies, material designations, packaging requirements, and operational rules for transportation of hazardous materials. The Resource Conservation and Recovery Act (RCRA) also established hazardous waste disposal requirements; please refer to 40 CFR parts 260 through 273. Any removal of building materials that may contain asbestos would be conducted in compliance with MBARD Rule 424 and USEPA asbestos regulations (Source: IX: 46). Impacts would be *less than significant.*

Hazards and Hazardous Materials 9(c). Conclusion: No Impact.
The project as proposed would not emit any hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste. Additionally, there is no school existing or proposed within one-quarter mile of the proposed project area. The closest school, approximately 3 miles away from the proposed project area, would be the North Monterey County Middle School. (Source: IX: 14). *No impact*.

Hazards and Hazardous Materials 9(d). Conclusion: No Impact.
This site is not listed on the hazardous waste and substances site list compiled pursuant to Government Code Section 65962.5 (Source: IX:36). *No impact*.

Hazards and Hazardous Materials 9(e). Conclusion: No Impact.
The proposed project area is not located within an airport land use plan. The proposed project area is 14.5 miles from the Salinas Municipal Airport and 18.8 miles from the Monterey Regional Airport. Source: IX: 1, 6 and 15) *No impact*.

Hazards and Hazardous Materials 9(f). Conclusion: No Impact.
The project entails use of existing structures for cannabis cultivation use within existing buildings. No roadways designated as evacuation routes would be modified by the project, and no population growth would occur as part of the project as no new residences are proposed, requiring modifications to existing emergency response or evacuation plans. Therefore, proposed cannabis operations would not interfere with emergency response or emergency evacuation plans. The project sites would comply with the Municipal Code and Fire Department standards for emergency vehicle access. (Source: IX:15) *No Impact*

Hazards and Hazardous Materials 9(g). Conclusion: No Impact.
The proposed project area would not expose people to wildland fire risks. The project site is not located in a CAL FIRE Fire Hazard Severity Zone (Moderate to Very High) or the Very High Local Responsibility Area map. The nearest Very High Fire Hazard Severity Zone is located approximately 3.5 miles east. As discussed in Section IV - Public Services, of this Initial Study, the site is adequately served by the North County Fire Protection District. *No Impact.*

10. HYDROLOGY AND WATER QUALITY **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?	☐	☐	☒	☐
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?	☐	☐	☒	☐
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river or through the addition of impervious surfaces,				

10. HYDROLOGY AND WATER QUALITY **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
i) Result in substantial erosion or siltation on or off site.	☐	☐	☒	☐
ii) Substantially increase the rate or amount of surface runoff in a manner which would result in flooding on or offsite.	☐	☐	☒	☐
iii Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or	☐	☐	☒	☐
iv) Impede or redirect flood flows?	☐	☐	☒	☐
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?	☐	☐	☒	☐
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
The site is previously developed with 34 buildings and warehouses. Although the project does not include any development outside of the existing structures, tenant improvements are anticipated. Existing impervious surfaces would not increase with project implementation, or the anticipated tenant improvements, and therefore, the potential for increased run off would be minimal. The California Department of Pesticide Regulation requires all cannabis operators to follow the mandated triple rinse and drainage guidelines. This ensures that the surrounding environment and local waterways are not threatened by the existing cannabis operations on site. The 7 buildings that are not cannabis operators, primarily industrial shops including Calera Cement, have the potential to also generate dust and spillage contaminants. Calera Cement, which manufactures cement from carbon dioxide and industrial waste, creates the highest amount of particulate mapper (PM; dust) – including coal and ash dust- implements control measures to ensure that the building is safe to work in and that the air is not significantly impacted.

Hydrology and Water Quality 10(a). Conclusion: Less than Significant.
The proposed project would allow all existing cannabis activities to continue operation (23 buildings), establish ~~for~~ commercial cannabis operations ~~to be established~~ within 5 existing buildings, resulting in the ongoing reuse of these 28 structures for all commercial cannabis activities and the continued use of the remaining 6 industrial buildings. The project does not include construction of new structures. Implementation of the proposed project would be limited

to the areas within existing warehouses. The Salinas Valley 180/400-foot Aquifer Subbasin~~Corralitos-Pajaro Valley Groundwater Basin~~, which serves the project area, is currently in an over-drafted status. The General Development Plan (Source IX: 1) does not propose additional connections to the existing water system. All future tenant improvements such as additional potable water fixtures would require approval by the PSMCSD and Monterey County Building Services and all cannabis operators will be required to meet standards for water conservation and energy efficiency, as required by the Department of Cannabis Control and Monterey County.

The SWRCB requires all commercial cannabis operators to obtain a waste discharge permit, also known as the Cannabis General Order. This waste discharge permit includes cannabis policy requirements, application procedures, monitoring and reporting programs, and state and local provisions. One of the permit conditions would be to comply with the Cannabis Cultivation Policy. The Cannabis Cultivation Policy includes best management practices (BMPs), general requirements and prohibitions, requirements related to diversion of water and discharge, watershed compliance, and planning and reporting programs (Source: IX:37).

Consistent with the SWRCB's Cannabis Cultivation Policy, each licensee for cannabis cultivation under the proposed projects would be required to implement the following BMPs as part of their operation:

- Verification that the licensee has a legal right to the identified water source;
- No obstruction, alteration, damming, or diversion of all or a portion of a natural watercourse without notification and approval from CDFW under the Lake and Streambed Alteration Program;
- Regular inspection of the entire water delivery system for leaks and repair of leaky faucets and connectors as needed;
- Lining of water conveyance ditches/canals to reduce waste and the unreasonable use of water;
- Use of rainwater catchment systems to collect and store stormwater during the rainy season in tanks, bladders, or engineered ponds to reduce the need for water diversions and/or pumping of groundwater during low flow periods (late summer to fall);
- Use of float valves on water storage systems to keep them from overflowing onto the ground;
- Use of drip/irrigation systems;
- Use of mulch to conserve soil moisture in cultivated areas, pots, and bins;
- Where applicable, screen water pump intakes to prevent the entrainment of threatened or endangered aquatic species; and
- Base layout and site development on a qualified expert's recommendations with respect to any listed species protected under California or federal law and avoid any actions that constitutes "take" under the Federal Endangered Species Act or California Endangered Species Act, unless accompanied by an Incidental Take Statement or Incidental Take Permit issued by the appropriate agency.

In addition, the proposed project would be required to comply with DCC regulations 15011(a)(3)(7)(8)(11) and 16304(a)(1) and (2) by providing evidence of enrollment in or waiver of waste discharge requirements within the SWRCB and identification of water sources used for cannabis activities. If the SWRCB or the CDFW notifies DCC that cannabis cultivation is causing significant adverse effects on the environment in a watershed or other geographic area or not in compliance with any final streambed alteration agreement, DCC shall not issue new licenses or increase the total number of plant identifiers within the watershed or area while the moratorium is in effect (Source IX:43).

Obtaining a Cannabis General Order and complying with the DCC regulations would aid compliance with water quality standards. Water quality standards or waste discharge requirements would not be violated, and surface or ground water quality would not be degraded. Impacts would be *less than significant*.

Hydrology and Water Quality 10(b) and (c). Conclusion: Less than Significant.
The environmental setting, with respect to groundwater resources, is defined by the extent of the Salinas Valley Groundwater Basin. The subject parcel lies within the boundaries of the Salinas Valley 180/400-foot Aquifer Subbasin. The 180/400 Foot Subbasin is located within the management jurisdiction area of the Salinas Valley Basin Groundwater Sustainability Agency (SVBGSA), which formed in response to requirements of the 2014 California Sustainable Groundwater Management Act (SGMA).

The project does not rely on the water supply from groundwater wells as potable and fire suppression water is provided to the Moss Landing Commercial Park by Pajaro/Sunny Mesa CSD. The PSMCSD is an adequate water source to serve the proposed project. The proposed project would increase the on-site water demand by ~~and the project's potential water increase of 1.07%~~0.32 AFY ~~would~~which would result in a less than significant impacts on coastal resources and the surrounding environment (see Section VI:19[a and c] - Utilities and Service Systems, of this Initial Study). The PSMCSD draws from the Pajaro Valley Watershed which is managed by the Pajaro Valley Water Management Agency. The PSMCSD water system is regulated by the State Water Resources Control Board and Monterey County Environmental Health Department.

Although the project does not include any development outside of the existing structures, tenant improvements are anticipated. The site contains 34 buildings and warehouses and is heavily disturbed from prior uses. Conversion of existing structures would not result in new impervious surfaces or alter existing drainage patterns, including patterns for streams or rivers. The potential for increased run off is minimal. The project would not create or contribute runoff water which would exceed the capacity of the existing stormwater drainage system or provide substantial additional sources of polluted runoff because the project proposes uses consistent with the existing site and no buildings or structures are proposed. The California Department of Pesticide Regulation requires all cannabis operators to follow the mandated triple rinse and drainage guidelines. This ensures that the surrounding environment, flood ways, and local waterways are not threatened or effected by the existing cannabis operations on site. The 7 buildings that are not cannabis operators, primarily industrial shops including Calera Cement, have the potential to generate dust and spillage contaminants. Calera Cement, which manufactures cement from

carbon dioxide and industrial waste, creates the highest amount of particulate matter (PM; dust) – including coal and ash dust- implements control measures to ensure that the building is safe to work in and that the air is not significantly impacted.

~~Although T~~the project proposes to utilize 5 of the ~~7~~ 8 vacant buildings (numbers 21-25, 30 and 31) for commercial cannabis operations and allow the existing cannabis operators (within 23 buildings) to change cannabis activities without future discretionary or environmental review, subject to be being found consistent with the proposed General Development Plan and this Initial Study. Therefore, the potential for increased runoff into the neighboring slough would be less than significant due to the nature of the operation, the existing uses, and the prepared procedures established in the Stormwater Pollution Prevention Plan (SWPPP) which identified dust and residue from potential spills as the only possible contaminants (IX:26). Converting the 5 of the ~~7~~ 8 vacant buildings into cannabis operations would not increase the number of possible contaminants because the site already contains cannabis operations and therefore, there is no introduction of new uses. Impacts would be *less than significant*.

Hydrology and Water Quality 10(d). Conclusion: Less than Significant.
Tsunamis and seiches, or seismic waves, are generated from undersea or underground movement. The project is located in the coastal zone and is approximately 0.3 miles east of Monterey Bay and 300 feet east of the Moss Landing Harbor. The Elkhorn Slough is located 0.4 miles north of the subject parcel while the Moro Cojo Slough State Marine Reserve is adjacent to the property to the south. According to Monterey County's Geographical Information System (GIS), the southern portion of the Moss Landing Commercial Park parcel is located in the Flood Zone. The liquefaction risk is "variable," and the seismic hazard risk is 6 out of 11 (Source: IX:6). A seismic hazard risk of 11 is designated for properties which would be subject to tsunamis. Therefore, due to the parcel's location and elevation, it would not subject to mudflow, tsunamis, seiches or seismic waves.

As described in Section VI:9(a) of this Initial Study, the proposed project would be required to comply with existing federal, state, and local laws regulating the transport, use, and disposal of any hazardous materials. Hazardous materials would be stored properly, in accordance with BMPs and applicable regulations and runoff controls would be implemented to prevent water quality impacts. With adherence to existing hazardous materials regulations and laws, the proposed project would not risk release of pollutants due to project inundation and impacts would be *less than significant.* (Source: IX:3, 6 and 26).

Hydrology and Water Quality 10(e). Conclusion: No Impact.
The proposed project would not conflict with or obstruct the implementation of a water quality control plan or sustainable groundwater management plan. The site current is supplied potable and fire suppression water by the Pajaro/Sunny Mess Community Service District. The project is located within the 180/400 Foot Aquifer Subbasin which is managed per the direction of a GSP adopted by the Salinas Valley Groundwater Basin GSA on January 9, 2020. The 180/400 Foot Aquifer Subbasin GSP establishes estimates of the historical, current, and future water budgets in the subbasin based on the best available information. The GSP defines local sustainable management criteria, details required monitoring networks, and outlines projects and programs

for reaching sustainability in the subbasin by 2040 (Source: IX:16). The six sunstainability indicators of the sustainable management criteria include 1) chronic lowering of groundwater levels, 2) reduction in groundwater storage, 3) seawater intrusion, 4) degraded groundwater quality, 5) land subsidence, and 6) depletion of interconnected surface water. Based on the analysis provided in Section VI. 10 (Hydrology & Water Quality) and Section 19 (Utilities & Service Systems) of this Initial Study, the proposed project will not result in conditions that lower the groundwater levels, reduce groundwater storage, cause seawater intrusion, degrade groundwater quality, land subsidence, or the depletion of interconnected surface water.

11. LAND USE AND PLANNING **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Physically divide an established community?	☐	☐	☐	☒
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

12. MINERAL RESOURCES **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?)	☐	☐	☐	☒
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

13. NOISE **Would the project result in:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	☐	☐	☐	☒
b) Generation of excessive groundborne vibration or groundborne noise levels?	☐	☐	☐	☒
c) For a project located within the vicinity of a private airstrip or 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 expose people residing or working in the project area to excessive noise levels?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

14. POPULATION AND HOUSING **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Induce substantial unplanned population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	☐	☐	☐	☒
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

15. PUBLIC SERVICES **Would the project result in:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?	☐	☐	☐	☒
b) Police protection?	☐	☐	☐	☒
c) Schools?	☐	☐	☐	☒
d) Parks?	☐	☐	☐	☒
e) Other public facilities?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

16. RECREATION **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	☐	☐	☐	☒
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

17. TRANSPORTATION Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with a program plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle and pedestrian facilities?	☐	☐	☒	☐
b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3 subdivision (b)?	☐	☐	☒	☐
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	☐	☐	☒	☐
d) Result in inadequate emergency access?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
Section 15064.3 of the CEQA Guidelines replaces congestion-based metrics, such as Level of Service (LOS), with vehicle miles traveled (VMT) as the basis for determining significant impacts, unless the CEQA Guidelines provide specific exceptions. Section 15064.3(c) states that a lead agency may elect to apply the provisions of Section 15064.3 at its discretion prior to July 1, 2020, at which time it shall apply statewide. Preparation of this environmental document occurred in ~~August and September of 2021,~~April 2022, and therefore requires a VMT analysis unless the lead agency determines that project would less than significant impact transportation.

Threshold of Significance
The County of Monterey has not developed a screening threshold to indicate when detailed analysis is needed. However, in accordance with OPR's *Technical Advisory: On Evaluating transportation Impacts in CEQA*, projects that generate or attract fewer than 110 trips per day generally may be assumed to cause a less-than significant transportation impact and therefore do not require a VMT analysis.

Transportation 17(a), (b) and (c). Conclusion: Less than Significant.
Keith Higgins calculated the existing and proposed trip generation for the Moss Landing Commercial Park. The daily trips generated from the subject property are based on the land use codes and trip generation rates which are established in the 2019 Institute of Transportation Engineers' (ITE) newest edition of the Trip Generation Manual. This manual provides trip generation rates for the most common land uses. All trip generation calculations were rounded up to the nearest whole number. The Trip Generation Manual does not have a Commercial Cannabis land use. Therefore, the traffic engineer that determined that cannabis operations are most similar to greenhouses (Source: IX:11). The comparable land use for the cannabis portion of the existing site, per the Trip Generation Manual, is a "Warehouse" (ITE Code 150). The Trip Generation Manual quotes a trip generation rate of 1.74 daily trips per 1,000 square feet for warehouses. This rate was assumed for all the commercial cannabis operations.

Building Nos. 24 and 32 are currently listed as "warehouse"; and "industrial shop," respectively, and do not have employees associated with the current use. As proposed, these buildings would become storage, and would also have no employees. Thus, no trips are generated from these buildings. Currently, there are 332,973 square feet of buildings (23) that are occupied by commercial cannabis activities and 52,097 square feet associated with non-cannabis buildings (warehouses, research and development, storage, and industrial shops). The existing daily trip generation is 763, 589 of which are cannabis related. The project proposes to repurpose 5 warehouses, or 11,120 square feet, into commercial cannabis operations. See **Table 6** and **7** for the existing and proposed square footage by land use and their corresponding trip generation. Therefore, based on the square footage of these warehouses, the additional commercial cannabis operations would generate approximately 19 daily trips. As proposed, a total of 28 buildings would be occupied by commercial cannabis operations and would generate 608 daily trips. The total daily trip generation associated with the subject project site is 782. The project results in an additional 19 daily trips and therefore would be below the OPR determined threshold of significance, or 110 daily trips. The impact is *less than significant.*

Table 6. Square Footage per Land Use

Land Use	Baseline sq ft	Proposed sq ft
Commercial Cannabis	332,973	341,693
Research & Development	23,360	23,360
Industrial Shops[3]	14,622	9,237
Office	2,770	2,770
Storage	225	5,610
Warehouse	11,120	0
Total	385,070	385,070

Table 7. Daily Trip Generation (DTG)[2]

Land Use	Baseline DTG	Proposed DTG	Net Trips
Commercial Cannabis	589	608	19
Research & Development	92	92	0
Industrial Shops[3]	37	37	0
Office	45	45	0
Storage[1]	0	0	0
Warehouse[1]	0	0	0
Total	**763**	**782**	**19**

Notes: DTG = Daily Trip Generation

1. Buildings with the land use category of 'Storage' and 'Warehouse,' have no employees associated with the use, and therefore, no trips are generated for the baseline or proposed DTG calculations
2. See Appendix B for building specifics, baseline and project land uses, daily trip generation, and ITE codes, and the net trips per building.

Although the square footage of industrial shops would change, no decrease in trip generation for this land use was assumed to provide a conservative analysis.

3.

Transportation 17(d). Conclusion: No Impact.
Access to the project site would be provided by existing roadways and driveways (via Dolan Road). No aspect of the project would affect the existing roadways or impact the emergency access and therefore impacts would be *less than significant.* (Source: IX: 1, 14).

18. Tribal Cultural Resources	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
Would the project cause a substantial adverse change in the significance of a tribal cultural resource, defined in a Public Resources Code section 21074 as either a site, feature, place, cultural landscape that is geographically defined in terms of the size and scope of the landscape, sacred place, or object with cultural value to a California Native American tribe, and that is:				
a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1(k), or	☐	☐	☐	☒
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision ~~(c)~~© of Public Resources Code Section 2024.1. In applying the criteria set forth in subdivisi~~on~~ ©(c) of Public Resources Code Section 5024.1, the lead agency shall consider the significant of the resource to a California Native American tribe.	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

19. UTILITIES AND SERVICE SYSTEMS **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?	☐	☒	☐	☐

19. UTILITIES AND SERVICE SYSTEMS **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple years?	☐	☐	☒	☐
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the p~~r~~'oject's projected demand in addition to the pr~~o~~'vider's existing commitments?	☐	☒	☐	☐
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?	☐	☐	☒	☐
e) Comply with federal, state, and local statutes and regulations related to solid waste?	☐	☐	☒	☐

Discussion/Conclusion/Mitigation:

Utilities and Service Systems 19(a) and (c). Conclusion: Less than Significant with Mitigation Incorporated.

Water

The project would not require or result in the relocation of new or expanded water facilities. The subject property is currently serviced by the Pajaro/Sunny Mesa Community Services District. Based on 2020 Pajaro Sunny Mesa CSD water service bills submitted by the applicant (Source: IX:1 and 40), monthly water consumption for the entire property, accounting for a 5.6% variability, ranges between 695 to 788 units (1 unit = 748 gallons). Using the average water consumption of 725 units or 542,300 ~~555,390~~ gallons per month, the property's current average annual water usage is ~~6,664,680~~ 6,507,600 gallons or 19.97 ~~v~~AFY.~~.~~

A study published by the Journal of Cannabis Resource (Source IX:50) reviewed the environmental impacts of cannabis cultivation and concluded that the cultivation process of commercial cannabis operations was the most water-intensive activity. Therefore, for the purpose of this Section of the Initial Study (Utilities and Service Systems) and in order to determine the full impact of the proposed project, the 23 existing structures operating as commercial cannabis as well as the 5 vacant structures to be repurposed are assumed to only contain indoor cultivation operations. The remaining 6 buildings are assumed to have no additional water use as the proposed project will not result in a change of use. ~~The project's resulting increase in water usage include the use of cannabis cultivation in 5 additional buildings which total 11,120 square feet of the approximate 332,973 square feet of cannabis activities.~~

Monterey County's Agricultural Commissioner's Office estimates that indoor cannabis grow operations require 0.25 acre-feet per year (AFY) of water per 10,000 square feet of canopy, equating to approximately 1.09 AFY of water per acre of cultivation (Source: IX:47). The Agricultural Commissioner's Office further reports that based upon anecdotal evidence provided by U.C. researcher Ted Grantham of the U.C. Berkeley Cannabis Research Center, an assumption of 1.0 AFY of water per acre of indoor cultivation is appropriate (Source: IX:47).-. However, the because the baseline water use calculation is based on the existing uses of the 34 structures, including various cannabis operations totaling 332,973 square feet, it is not appropriate to multiply the entirety of the proposed cannabis square footage (341,693) by 0.25-acre feet per year per 10,000 square feet. The existing commercial cannabis operations make up 67% of the property's 34 buildings. Without data detailing the water use per building, for the purposes of this Initial Study it was assumed that the existing cannabis operations contribute to 67% of the property's current annual water use, or 4,360,092 gallons or 13.38 AFY. Therefore, per 10,000 square feet, the existing cannabis operations require 0.40 AFY (1.74 AFY~~F~~ per acre).

To be conservative, the proposed project's water use was calculated using 0.40 AFY per 10,000 square feet of cultivation, rather than the Monterey County's Agricultural Commissioner's Office estimate of 0.25 AFY per 10,000 square feet of cultivation. As such, the proposed conversion of 5 structures into cannabis operations (8,720 square feet) would result in a water demand of approximately 0.35 AFY or 114,048 gallons annually. Therefore, the property's total annual water use would be approximately 6,683,850 gallons (existing annual non-cannabis water use of 2,147,508 gallons + baseline annual cannabis water use of 4,360,092 gallons + proposed annual cannabis water use of 114,048 gallons). This equates to a 1.75 percent increase in total site water usage (6,621,648 gallons annually or 20.32 AFY) ~~This would mean that the estimated proposed project water use adds approximately 0.25-acre feet to 0.275-acre feet per year or approximately 65,200 gallons to 71,720 gallons per year. Based on 2020 Pajaro Sunny Mesa CSD water service bills submitted by the applicant (Source: IX:1 and 40), monthly water consumption ranges between 697 to 788 units (1 unit = 748 gallons). Using the average water consumption of 742.5 units or 555,390 gallons per month, the average annual water usage is 6,664,680 gallons or 20.45vAFY.~~ The Pajaro Sunny Mesa Community Services District issued a letter indicating that the District can and will continue to serve the proposed project. Therefore, the District has the capacity to accommodate an overall site increase of 0.32 AFY. ~~As proposed, commercial cannabis activities and any related expansion or construction in the 5 existing buildings would have the potential to increase water usage by approximately 1.07%. Therefore, there is an adequate water source to serve the proposed project and~~ I~~i~~mpacts from the proposed water usage increase would be *less than significant*.

Wastewater

As identified in the baseline discussion (Section II.B – *Surrounding Land Uses and Environmental Setting*) of this Initial Study, the subject property contains 7 existing septic tanks with a total maximum capacity to serve 346 onsite employees. Although the project's resulting employee population would be within this threshold (273), Septic System 2 is currently over capacity by 20 employees and Septic System 3 is currently over capacity by 33 employees (see **Table 8** below). In accordance with §3364 of the General Industry Safety Orders of the Cal/Osha regulations (Source: IX:39), employees must be within 200 feet of the nearest restroom. The

existing employee distribution is assumed to be within 200 feet of operation for most of the operators; however, the radius of employees to accessible restrooms may be over 200 feet for the employees of buildings 10 and 14. Additionally, onsite wastewater treatment systems (OWTS), also known as septic systems, must have adequate and sustainable capacity for the number of employees intended to use the restrooms connected to them.

Table 8. Current Employees by Septic System and Building

Septic System	Building Currently Assigned	Number of Employees	Septic Capacity
1	8, 17, 27	23	67
2	3, 4, 5, 6, 7, 9, 28, 29	56	36
3	11, 12, 13, 33	70	36
4	25	7	88
5	16, 19, 26	23	60
6	14, 15, 18, 20, 20A, 20B	49	67
7	1	14	67

The exact square footage of proposed and on-going cannabis operations versus building square footage is unknown and therefore the additional 11 employees is a conservative figure. In order to ensure onsite employees have access to restroom facilities within the distance requirement, and the wastewater served by the existing OWTS remain within the limitation thresholds of the systems, Mitigation Measure 1 has been identified requiring the owner/applicant to submit an Employee & Wastewater Operation Plan for review and approval. The plan would identify assignment of employees, per building, to restrooms within 200 feet and based on the assigned employees, the plan would demonstrate how the respective septic systems would not be overloaded.

Implementation of this mitigation would enable employees to have adequate and sustainable wastewater service capacity with existing facilities, which would allow the system to meet the project's wastewater demand and would not require new or expanded wastewater services. As a result, impacts would be *less than significant with mitigation incorporated*.

Mitigation Measure No. 1. Employee & Wastewater Operation Plan. In order to ensure onsite employees have access to restrooms within 200 feet and that the project does not result in conveying wastewater to the existing septic systems beyond capacity, the owner/applicant shall submit an Employee & Wastewater Operation Plan. This plan shall demonstrate that employees operate within 200 feet travel distance of an assigned, approved, and readily available toilet and handwashing facility, to ensure that restroom facilities are available to employees and prevent overload of individual septic systems. The owner/applicant shall be provided with employee counts for each individual operators within each building on the site. Should operators change

within buildings, the owner/applicant shall be responsible for obtaining and maintaining accurate employee records.

> **Mitigation Measure Monitoring Action No. 1a**: Prior to issuance of construction permits for tenant improvements for Buildings 21, 22, 23, 30 and 31 or prior to commencement of use of those buildings, whichever occurs first, the owner/applicant shall provide HCD-Planning with an Employee & Wastewater Operation Plan for review and approval. The plan shall include a list of employees per each occupied building and their designated restroom. The plan shall include an accurate site plan, drawn to scale, delineating the distances between buildings and assigned restrooms. Since Septic Systems 2 and 3 are currently overloaded, and not all employees have access to restroom facilities within 200 feet, the plan shall address reallocating employees in Buildings 2, 3, 4, 5, 6, 7, 9, 11, 12, 13, 14, 15, 20, 28, 29 and 33 to a septic system with adequate capacity that is within 200 feet. Septic systems shall not be overloaded after employee reallocation of restroom facilities.
>
> **Mitigation Monitoring Action No. 1b.** Prior to final of construction permits for grading and building, the owner/applicant shall submit evidence documenting compliance with approved Employee & Wastewater Operation Plan.
>
> **Mitigation Monitoring Action No. 1c.** ~~As an ongoing action of Mitigation Measure 1~~On an ongoing basis, the owner/applicant shall remain in compliance with the approved Employee & Wastewater Operation Plan for the life of the project. Should operators change within buildings, the owner applicant shall submit a revised Employee & Wastewater Operation Plan to HCD-Planning for review and approval.

Stormwater Drainage

The project would not include the construction of new structures or impervious surfaces, and therefore would not generate additional stormwater runoff. Conversion of existing buildings to cannabis use would not require substantial modifications to existing drainage facilities or infrastructure. Because the project would not generate additional runoff, it would not require or result in the relocation or construction of new or expanded stormwater drainage facilities resulting in *no impact*.

Electric and Natural Gas

~~The project would not facilitate the construction of new buildings that would generate demand for electricity and natural gas.~~ As discussed in Section VI.6 – Energy, PG&E supplies the project site with electricity, and it is not anticipated that the project would require new or expanded electricity or natural gas infrastructure that could cause significant environmental effects. Any energy grid upgrades undertaken by PG&E would require project specific review, at which time environmental effects would be considered and mitigated as appropriate. Because such upgrades are not anticipated at this time, this impact would be *less than significant*. (Source: IX: 28 and 29).

Telecommunications

The conversion of existing buildings to cannabis use would not generate a substantial new demand for telecommunication facilities. Additionally, there is an existing wireless communications facility on the property that is sufficient and would not require upgrades as a result of this project (Source: IX:1). Potential impacts would be *less than significant*.

Utilities and Service Systems 19(b). Conclusion: Less than Significant.

Water supply for irrigation and domestic use would be provided by the Pajaro Sunny Mesa CSD (Source: IX:40). Water would be utilized via drip-irrigation systems for cultivation and via plumbing for fire suppression and restrooms. As mentioned in the above Section "19.a," the project as proposed would foreseeably increase water demand by about ~~1.07~~0.32 AFY~~% of~~ from its current usage (Source: IX:40). The Pajaro Sunny Mesa Community Services District issued a letter indicating that the District can and will serve the proposed project. Additionally, existing and proposed cannabis ~~cultivators~~ operations will be required to meet standards for water conservation as required by State and County Cannabis regulations. Title 20, Section 20.67.050 requires water conservation measures, water capture systems, or grey water systems to be incorporated in cannabis cultivation operations in order to minimize use of water where feasible.

Water Demand Analysis

Staff discussed the water demand analysis in previous Section "19~~7~~.a" above, which determined that the increase in water demand would be approximately ~~1.07%~~0.32 AFY from current uses. ~~This number was calculated using applicant supplied water usage data from December 2019 to May 2020. In this application, water bills were demonstrated with units where each unit was equivalent to 748 gallons. Staff was able to determine a foreseeable yearly usage by taking the average monthly usage over the given 5 months and multiplying that average monthly usage by 12 months. This led to a conclusion of a foreseeable approximate 6,507,000 gallons a year. Proposed use range was determined from data provided by the Agricultural Commissioner's office which showed a proposed increase by about 65,200 to 71,120 gallons per year. This increase in water is an approximate 1.07% increase. Given that the water bill data itself can vary by 5.6% in demand each month (Source: IX:40),~~ Sstaff ~~believe~~ has determined that this ~~1.07~~1.75% proposed increase, which accounts for a 5.6% variability of the water bill data (Source: IX:40), would be less than significant in impacting the Pajaro/Sunny Mesa CSD's ability to provide water in normal, dry, and multiple years.

Utilities and Service Systems 19(d & e). Conclusion: Less than Significant.

Solid waste generated at the project site is and will be serviced by the Monterey Regional Waste Management District (MRWMD) and hauled by Waste Management (Source: IX:41). Monterey County is served by two active solid waste landfills, Johnson Canyon Sanitary Landfill, located at 31400 Johnson Canyon Road in Gonzales, and Monterey Peninsula Landfill, located at 14201 Del Monte Boulevard in Marina. Both facilities may serve the project. Johnson Canyon Sanitary Landfill has an estimated six million cubic yards of remaining capacity (Source: IX:47) until the year 2055. Monterey Peninsula Landfill has an estimated 48 million cubic yard of remaining capacity and is expected to reach full capacity in 2107 (Source IX:47).

Solid waste generated by the proposed project would include food and other waste from on-site employees, as well as plant trimmings. Employee-generated waste would be disposed of at either the Johnson Canyon Sanitary Landfill or the Monterey Peninsula Landfill, both of which have substantial remaining capacity. Plant trimming waste would be minimized by composting requirements pursuant to DCC regulation16309 and Public Resources Code §17223 requiring a cannabis waste management plan, which may include composting cannabis waste in compliance with title 14 of California Code of Regulations, division 7, chapter 3.1. On-site composting is possible but not required for the project site; most green waste would be hauled and disposed of offsite, for composting at the landfill.

The project would not generate solid waste in excess of the capacity of local landfills and would comply with applicable regulations pertaining to solid waste. As such, impacts would be *less than significant*.

19. WILDFIRE **Would the project:**	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
If located in or near state responsibility areas or lands classified as very high fire hazard severity zones, would the project:				
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?	☐	☐	☐	☒
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutant concentrations from a wildfire or the uncontrollable spread of a wildfire?	☐	☐	☐	☒
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?	☐	☐	☐	☒
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-free slope instability, or drainage changes?	☐	☐	☐	☒

Discussion/Conclusion/Mitigation:
See previous Sections II. A (Project Description) and B (Environmental Setting) and Section IV. A (Environmental Factors Potentially Affected), as well as the sources referenced.

VII. MANDATORY FINDINGS OF SIGNIFICANCE

NOTE: If there are significant environmental impacts which cannot be mitigated and no feasible project alternatives are available, then complete the mandatory findings of significance and attach to this initial study as an appendix. This is the first step for starting the environmental impact report (EIR) process.

Does the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	☐	☒	☐	☐
b) Have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	☐	☐	☐	☒
c) Have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	☐	☐	☒	☐

Discussion/Conclusion/Mitigation:
As identified in the baseline discussion (Section II.B – Surrounding Land Uses and Environmental Setting) and Section II.A – Description of Project, of this Initial Study, the project site is an existing industrial park and as proposed, the project would be limited to conducting operations within existing industrial structures. (Source: IX: 1, 6 and 8)

VII(a). Conclusion: Less than Significant with Mitigation Incorporated.
The project would repurpose existing facilities and does not include any ground disturbing activities that would result in a substantial adverse impact nearby habitat or species. As detailed in the prepared General Development Plan, and as conditioned, all proposed exterior lighting shall be downlit and unobtrusive; and if security lighting is required for safety purposes, it shall be motion activated. Additionally, for any exterior construction activity, such as the installation of the proposed roof-mounted solar panels, that occurs during the typical bird nesting season (February 22-August 1, the applicant would be required to submit to HCD-Planning a raptor and migratory bird survey. . There will be no hazardous byproduct from hazardous materials during

the cultivation and manufacturing process, and therefore, no hazardous waste would be produced, and no hazardous air emissions would be emitted. Therefore, impacts to wildlife movement and plant and animal species would be less than significant.

The project would be limited to conducting operations within existing industrial structures and since there is no associated ground disturbance, the project would have no impact on archeological resources. Additionally, as detailed in Section IV.A.5 of this Initial Study, one structure has been identied as representing the early functions and processing of the Permanent Metals/Refractory Plant. Utilizing this structure for commercial cannabis activities would have no impact on it's historical significance and no exterior improvements are proposed. None of the other buildings analyzed under this Initial Study meet the criterial for inclusion on the California Register because they were not constructed during the period of significance, 1942-1956, and the buildings and their enclosed machinery have been altered over time.

As identified in Section VI.19 – Utility and Service Systems, of this Initial Study, implementation of the project would have the potential to impact the environment if it results in an increase of wastewater beyond the capacity of the system. In this case, the site contains 7 separate septic systems with differing capacity and serving plumbing for different structures. The baseline plus project conditions would remain within the overall capacity of the entire system. However, Septic System Nos. 2 and 3 would operate beyond capacity without proper employee allocation. To ensure the project has adequate and sustainable capacity, Mitigation Measure 1 has been identified requiring approval and implementation of an Employee & Operational Wastewater reallocation plan. Through mitigation implementation, impacts to wastewater would be reduced to a less than significant level. (Source: IX: 1)

VII(b). Conclusion: No Impact.
As identified in Sections VI.19 – Utility and Services Systems, of this Initial Study, the project would have ~~the potential to result in~~ a less than significant impact to the wastewater service system with mitigation measures incorporated. However, due to the industrial nature of the subject property and the absence of development outside of the existing structures, it is reasonable to assume the temporary (i.e. construction of tenant improvements) and operational components would have a less than cumulative impact to the above resources with the identified mitigation incorporated.

Permit research indicates that there are 10 projects with a 2 mile radius~~in proximity~~ of the subject property as of preparation of this Initial Study (see **Table 9** below); two are in request stage and no formal application has been submitted (file Nos. PLN210165 & PLN210101), four are deemed incomplete (file Nos. PLN200030, PLN170758, PLN160443, PLN100332), four are in process and environmental review would be analyzed as part of the Moss Landing Community Plan EIR (File Nos. PLN080307, PLN080071, PLN090039 and the Moss Landing Road Improvement Project); and one project, (File No. PLN210093; MBARI for demolition of Phil's Fish House and construction of a research building), was recently approved by the Monterey County Planning Commission and is appealable to/by the California Coastal Commission. It is not anticipated that PLN210093 (MBARI) will be appealed to/by the California Coastal Commission. It is not reasonably ~~un~~foreseeable that any of the remaining nine aforementioned

projects will be approved in 2022. Therefore, no project was considered as part of the cumulative impact analysis and the project would result in no potential cumulative impacts.

Pursuant to Monterey County Ordinance No. 5299, agricultural activities, including commercial cannabis operations, are allowed uses in the following coastal zoning districts: Coastal General Commercial, Moss Landing Commercial, Light Industrial, Heavy Industrial, Agricultural Industrial, Agricultural Conservation, and Coastal Agricultural Preserve. Although these zoning districts surround the subject property, no permitted commercial cannabis operation occurs within a 2-mile radius. Projects analyzed under North County programmatic IS/MND are outside of the 2-mile radius, located in a separate groundwater water basin - Corralitos-Pajaro Valley Groundwater Basin, and therefore not considered as part of the cumulative impact analysis.

Table 9. Projects within MLBP Vicinity

Project File	Description
PLN210093 – Monterey Bay Aquarium Research Institute (MBARI)	Demolition of an existing restaurant (Phil's) and construction of a marine research facility building and reduction in parking standards
PLN210165 – Mckearn	Variance to increase lot coverage and construction of a single family dwelling, garage, office, accessory dwelling unit, barn and shed
PLN210101 – Lopez	Establishment of a junior accessory dwelling unit within an existing single-family dwelling and construction of new accessory dwelling unit
PLN200030 – Jobst	Temporary residence during construction of the first single family dwelling
PLN170758 – Moss Landing Harbor District	Lot line adjustment between 2 legal lots and construction of a 30-unit inn/hotel
PLN160443 – McCombs	Establishment of a commercial outdoor storage area for recreational vehicles, boats, trailers, and cars within 100 feet of an environmentally sensitive habitat area
PLN100332 – Keith Family Investments LLC	Minor and Trivial Amendment to a previously approved Combined Development Permit (PLN000468)
PLN080307 – Monterey Bay Aquarium Research Institute (MBARI)	General Development Plan for the MBARI campus and marine related research facilities
PLN080071 – Moss Landing Marine Laboratories (MLML)	Master Plan for the MLML campus, marine operations, research and labs. The campus plan includes housing and visitor-serving facilities for the accommodations of students during the academic year and workshops, classes and special programs during the summer
PLN090039 – Gregg Drilling	General Development Plan for office building(s), storage and mechanical space(s), bulkhead or other shoreline protection, a 3,000 to 4,000 square foot wharf/dock, and dredging of the harbor

Moss Landing Road Street Improvements – Public Works	Reconstruction of a portion of Moss Landing Road, including installation of curb, gutters and storm drain facilities

VII(c). Conclusion: Less than Significant with Mitigation Incorporated.
As discussed in VII(a) above, the project would have the potential impact to water and wastewater systems if it results in an increase of wastewater beyond the capacity of the existing system. This in turn would have the potential to cause a substantial adverse effects on human beings. Therefore, Mitigation Measure 1 has been identified requiring submittal, approval and implementation of an Employee and Operation Wastewater Plan to ensure the project has adequate and sustainable capacity. With mitigation, impacts to wastewater and water would be reduced to a less than significant level. (Source: IX: 1 and 39)

The cultivation of cannabis may require the use and storage of nominal amounts of potentially hazardous materials such as fuel for power equipment and backup generators, and pesticides. Additionally, cultivation operations may use high-powered indoor lights, which may contain hazardous components that could enter the environment through disposal. There will be no hazardous byproduct from hazardous materials during the cultivation and manufacturing process, and therefore, no hazardous waste would be produced, and no hazardous air emissions would be emitted. In the case that hazardous waste is produced, it will be transported to a hazardous waste facility to prevent potential exposure to the surrounding environment.

Single-family residences are located approximately 0.6 miles south of the subject property. The project would not result in volumes of traffic that would exceed the NAAQS or CAAQS standards for CO. Compliance with the applicable DCC regulations would result in a less than significant exposure of sensitive receptors to substantial pollutant concentrations from generators. Odors from cannabis operations may be detectable off site and prevailing winds from the west can transport odors east toward odor receptors. Health and Safety Code Section 41705 exempts agricultural operations from odor related nuisances. Operational noise sources associated with the project would include mechanical equipment associated with operation of cannabis cultivation and manufacturing, such as ventilation and odor control equipment. The proposed commercial cannabis activities may result in tenant improvements and the installation cannabis-related equipment like ventilation and odor control. As such, the proposed project would result in similar noise levels to the baseline conditions. Therefore, due to the location of the site and the proximity to nearby residential zoned parcels, impacts to sensitive receptors is less than significant.

IX. SOURCES

1. Moss Landing Business Park Project Application and Plans, Monterey County File No. PLN160401
2. 1982 Monterey County General Plan
3. North County Land Use Plan
4. Monterey County Coastal Implementation Plan, Part 2 – Regulations for Development in the North County Land Use Plan
5. Monterey County Coastal Implementation Plan, Part 1 – Title 20 of the Monterey County Code (Zoning Ordinance)
6. Monterey County Geographic Information System (GIS)
7. "CEQA Air Quality Guidelines", Monterey Bay Unified Air Pollution Control District, Revised February 2008 and the 2012-2015 Air Quality Management Plan (AQMP), including the 1991 AQMP and the 2009-2011 Triennial Plan Revision
8. Site Visit conducted by the project planner on August 26, 2021.
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X. ATTACHMENTS

Moss Landing Commercial Park General Development Plan and Addendum (Appendix A)

Baseline vs. Proposed Daily Trip Generation (DTG) Table (Appendix B)

APPENDIX B

Baseline vs. Proposed Daily Trip Generation (DTG)

Building #	Sq ft	Baseline Land Use	Baseline ITE Use	ITE Code	Current DTG	Proposed Land Use	ITE Use	ITE Code	Proposed DTG	Net Trips
1	21,156	Agriculture	Warehouse	150	37	Agriculture	Warehouse	150	37	0
2	9,450	Agriculture	Warehouse	150	17	Agriculture	Warehouse	150	17	0
3	22,834	Agriculture	Warehouse	150	40	Agriculture	Warehouse	150	40	0
4	10,200	Agriculture	Warehouse	150	18	Agriculture	Warehouse	150	18	0
5	22,835	Agriculture	Warehouse	150	40	Agriculture	Warehouse	150	40	0
6	11,056	Agriculture	Warehouse	150	20	Agriculture	Warehouse	150	20	0
7	26,950	Agriculture	Warehouse	150	47	Agriculture	Warehouse	150	47	0
8	23,360	Research/Dev.	Manufacturing	140	92	Research/Dev.	Manufacturing	140	92	0
9	12,135	Agriculture	Warehouse	150	22	Agriculture	Warehouse	150	22	0
10	9,250	Agriculture	Warehouse	150	17	Agriculture	Warehouse	150	17	0
11	9,237	Industrial Shop	Manufacturing	140	37	Industrial Shop	Manufacturing	140	37	0
12	10,326	Agriculture	Warehouse	150	18	Agriculture	Warehouse	150	18	0
13	11,235	Agriculture	Warehouse	150	20	Agriculture	Warehouse	150	20	0
14	9,800	Agriculture	Warehouse	150	18	Agriculture	Warehouse	150	18	0
15	7,000	Agriculture	Warehouse	150	13	Agriculture	Warehouse	150	13	0
16	14,817	Agriculture	Warehouse	150	26	Agriculture	Warehouse	150	26	0
17	2,770	Office	Office	712	45	Office	Single Office	712	45	0
18	19,998	Agriculture	Warehouse	150	35	Agriculture	Warehouse	150	35	0

19	13,612	Agriculture	Warehouse	150	24	Agriculture	Warehouse	150	24	0
20	41,182	Agriculture	Warehouse	150	72	Agriculture	Warehouse	150	72	0
21	1,800	Warehouse	Warehouse	150	0	Agriculture	Warehouse	150	4	4
22	1,800	Warehouse	Warehouse	150	0	Agriculture	Warehouse	150	4	4
23	2,400	Warehouse	Warehouse	150	0	Agriculture	Warehouse	150	5	5
24	2,400	Warehouse	Warehouse	150	0	Storage	Warehouse	150	0	0
25	6,800	Agriculture	Warehouse	150	12	Agriculture	Warehouse	150	12	0
26	19,200	Agriculture	Warehouse	150	34	Agriculture	Warehouse	150	34	0
27	5,575	Agriculture	Warehouse	150	10	Agriculture	Warehouse	150	10	0
28	13,529	Agriculture	Warehouse	150	24	Agriculture	Warehouse	150	24	0
29	12,403	Agriculture	Warehouse	150	22	Agriculture	Warehouse	150	22	0
30	1,360	Warehouse	Warehouse	150	0	Agriculture	Warehouse	150	3	3
31	1,360	Warehouse	Warehouse	150	0	Agriculture	Warehouse	150	3	3
32	5,385	Industrial Shop	Manufacturing	140	0	Storage	Warehouse	150	0	0
33	1,630	Agriculture	Warehouse	150	3	Agriculture	Warehouse	150	3	0
34	225	Storage	Warehouse	150	0	Storage	Warehouse	150	0	0
Total:	**385,070**				**763**				**782**	**19**