#### <u>CALIFORNIA ENVIRONMENTAL QUALITY ACT</u> RESPONSES TO COMMENTS ON NEGATIVE DECLARATION

Staff prepared an Initial Study and Negative Declaration in compliance with the California Environmental Quality Act ("CEQA") for the proposed ordinance, with a public review period of October 18, 2017 to November 17, 2017. The Initial Study did not identify any significant environmental impacts associated with adoption of the ordinance. During the public review period, the County received four comment letters, two from members of the public and two from State agencies. The comment letters are included as Attachment B to the memorandum to the Board of Supervisors. In general, the comment letters noted concerns primarily related to night lighting, odor, climate change, water use, population and housing, public services and utilities, and transportation. Staff has reviewed the comment letters, conducted additional research and analysis where necessary, and determined that there is no substantial evidence that the ordinance will have a significant effect on the environment.

#### RESPONSE TO INDIVIDUAL COMMENTS RECEIVED<sup>1</sup>

#### A. Comments received from Jonathan Burbaum

<u>A-1.</u> The assessment of the impact of the proposed ordinance relies heavily on the proposed text of the ordinance, which falls short in a crucial way: It fails to define what a "greenhouse" is, except by inference . . . Technically, this could be an existing warehouse with a skylight.

Staff Response: The commenter is correct that the proposed ordinance would allow commercial cannabis cultivation in any structure that provides mixed-light cultivation and otherwise satisfies the relevant State and local requirements. Greenhouses and similar structures that use light deprivation and/or any combination of natural and supplemental artificial lighting may qualify. (See Section 5.148.020(v) of the proposed ordinance.<sup>2</sup>) To the extent significant modifications are required to retrofit or improve an existing structure such that it can be used for cannabis cultivation, those modifications would only be allowed subject to all applicable permits, including Coastal Development Permits (CDPs), if the modifications constitute "development" as defined in the California Coastal Act and County's Local Coastal Program.

<u>A-2.</u> "All lighting shall be fully shielded, downward casting, and not spill over onto other structures, other properties or the night sky. All operations shall be fully contained so that little to no light escapes. Light shall not escape at a level that is visible from neighboring properties or the public right of way between sunset and sunrise."

It's physically impossible for a "conventional" greenhouse to satisfy this requirement, many existing structures would already be in violation—Glass works both ways regardless of the ordinance. Light pollution should be classified as a "Potentially Significant Impact."

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<sup>&</sup>lt;sup>1</sup> Substantive comments are provided in **bold** text, below. Citations are omitted and comments may summarized for brevity.

<sup>&</sup>lt;sup>2</sup> All references are to the proposed ordinance unless otherwise specified.

Staff Response: According to the County's Agricultural Commissioner, a variety of agricultural products grown in mixed-light settings employ light excluding shades to manipulate the crop's light exposure. Shades are used to limit light exposure during long summer days and light fixtures are used to increase light exposure during the shorter winter days. Future cannabis greenhouse operators could use the light excluding shades during the evening hours in order to meet the ordinance requirement to avoid light pollution.

In addition, a number of local greenhouse producers currently use grow lights to extend day length and stimulate flowering of ornamental plants and greenhouse vegetables. Those operations may already introduce light to the night sky at various time of year. Future cannabis operations would be limited by the more stringent requirements included in the ordinance, and thus night lighting may be reduced from existing conditions in certain cases, but is not expected to significantly increase in any case. Although not required to reduce a potentially significant impact, County staff has revised the requirement regarding night lighting in response to a comment received from the California Department of Fish and Wildlife (see response to comment D-3, below).

<u>A-3.</u> [M]any existing greenhouses (of the conventional type) do not currently employ odor control (from personal experience). These environmental impacts would require mitigation before the ordinance could be implemented, so should be classified as "Significant Unless Mitigated" because the ordinance fails to address the operational specifications of ventilation system.

Staff Response: Any existing odor impacts from non-cannabis greenhouse operations are part of the existing environmental setting and do not require analysis under CEQA. Any future cannabis operator would be required to satisfy the standards specified in the ordinance, which are designed to ensure that no odor impacts result from the cannabis operation. In addition, County staff has continued to monitor draft regulations at the State level and best practices throughout areas permitting cannabis operations, and has modified Section 5.148.130(f) to provide further clarity, as follows:

Odor Control and Ventilation. All premises shall be equipped with odor control filtration and ventilation system(s) based on current industry-specific best control technologies and best management practices. No operable windows or exhaust vents shall be located on any building façade that abuts a residential use or zone. Exhaust vents on rooftops shall direct exhaust away from residential uses or zones. This Section shall not apply to operation of exclusively Type 4 – Nursery licenses.

Nurseries are exempt from the odor control and ventilation requirements because those operations produce only immature plants, which are sold and removed from the premises prior to the flowering stage. Odor from cannabis cultivation is associated with the mature cannabis plant that is ready for harvest, and the proposed ordinance requirements are designed to ensure that no significant impacts result from those operations

<u>A-4.</u> In Section 7.a, "Climate Change" again cites the ordinance as a source, but states (without support) that there is "no evidence" that cannabis cultivation is any different than any other crop. Cannabis cultivation is significantly more energy and carbon intensive than other crops, and the air handling and light restriction requirements (see above) imposed by the ordinance will further increase the energy and carbon intensity of cannabis cultivation relative to other crops. In addition, if worthless agricultural residues (e.g., leaves) are composted or incinerated, there will be a concomitant increase in methane or CO2 emissions commensurate with the intensity of the cultivation.

Staff Response: The proposed ordinance imposes a stringent standard for cannabis cultivation operators to provide all electrical power either through on-grid power with 100% renewable energy source or on-site zero net energy source. (5.148.160(m).) This requirement will ensure there is no increase in greenhouse gas emissions related to electricity use. Future cultivation operations will also require the use of fossil fuels related to deliveries and employee trips, but those activities are not expected to significantly exceed other types of existing greenhouse agricultural operations. In addition, one of the primary goals of creating a legal and regulated cannabis industry is to eliminate the environmental impacts from illegal, unregulated cannabis operations. Those operations likely generate greenhouse gases in amounts much greater than the small-scale, well-regulated operations that could be licensed under the proposed ordinance.

A-5. In Section 9.b, under "Hydrology and Water Quality", the ordinance is again cited as justification. The cited Section [5.148.160(r)] requires individual licensees to "...identify a water supply source adequate to meet all Cultivation uses on a sustainable basis for the Premises..." and, further, that "...water sources must be from a source permitted by the County." This item applies to individual applicants but does not address the remit of the Checklist, since, while each individual operation may identify a sustainable source (either groundwater or tap water) in the absence of other cultivation operations, the impact of the ordinance should consider the impact of the ordinance if all under- or unutilized greenhouses in the county were to claim the same source. It should be noted, here, that cultivation of cannabis requires approximately twice the amount of water as the cultivation of grapes, so this is a Potentially Significant Impact of the ordinance that could require the ordinance to restrict the number of permits it issues in order to comply with CEQA.

Staff Response: Securing an adequate water source, either in the form of a groundwater well or water district connection, is an existing requirement for constructing a new greenhouse in the County. As a result, any existing greenhouse structures should have already have an existing water source. In addition, the proposed ordinance requires that an applicant "identify a water source adequate to meet all Cultivation uses on a sustainable basis for the Premises, provide the Department with proposed conservation measures, demonstrate that Licensee is in compliance with all statutes, regulations, and requirements of the State Water Resources Control Board, Division of Water Rights, and allow the Department and/or other County departments access to the Premises to monitor water usage." (5.148.160(r).) Domestic water sources must also be permitted by the County. The ordinance requires the applicant to demonstrate that the existing source is sufficient before a License will be issued. In addition, many estimates of water use for cannabis cultivation are based on or extrapolated from illegal operations. It is reasonable to conclude that water use will be significantly reduced in a controlled, regulated environment

where operators must pay for water use. According to the County's Agricultural Commissioner, cannabis produced in a greenhouse setting does not use significantly more water than many ornamental plants currently in production. Greenhouse operations typically use drip irrigation, maximizing irrigation efficiencies, and many greenhouse operators also collect and recycle tail water, and collect and store runoff from roofs and other hard surfaces, in order to minimize water costs and reduce waste.

<u>A-6.</u> In Section 10, under "Land Use and Planning", the proposed ordinance is again cited ineffectively. The Environmental Impact needs to address whether the aggregate or individual commercial operations of 66,000 ft2, each, will impact land use. In particular, for Section 10.d, at certain times throughout the season (particularly at harvest and trimming), will more than 50 people congregate? If so, the finding should be "Potentially Significant".

Staff Response: As described in the environmental document, the proposed ordinance would authorize the issuance of licenses in existing greenhouses. (New greenhouses would be subject to additional discretionary and environmental review.) According to the County Agricultural Commissioner, cannabis operations producing nursery stock would be served by existing labor and would not require large numbers of additional employees on-site. Mixed-light operations producing cannabis for harvest would similarly rely on existing labor as well as additional labor for trimming activities. Depending on the business model, trimming may occur approximately six times per year in association with harvest, or it may be done continuously throughout the year on a smaller scale. Nevertheless, according to the Agricultural Commissioner, the number of additional workers needed for trimming activities, given the small-scale of cannabis operations permitted by the ordinance, will be less than 50 employees. The County's research further indicates that a one-acre cultivation site is estimated to require only 12-15 employees during the peak seasonal period. (See, e.g. Sonoma County Medical Cannabis Land Use Ordinance, File #ORD15-0005, Negative Declaration, p. 44.) Further, CEQA requires that the lead agency consider the environmental impacts of any such congregation of people. Any such potential environmental impacts would be less than significant, given the site planning and operational standards included in the ordinance.

A-7. Section 10.g cites a lack of additional demand on housing, with wishful thinking rather than any supporting data or analysis. The current unemployment rate in San Mateo County is 3.2%, so where are these workers coming from, and where are they going to stay? This is also pertinent to Section 13, "Population and Housing" and Section 15, "Recreation". [NOTE: Item 15.a should be rated the same as Item 13.a, regardless].

Staff Response: As described in response to comment A-6, much of the anticipated small-scale cultivation operations in existing greenhouses are expected to be served by the existing agricultural labor market. There may be periodic increases in labor demand associated with trimming activities for mixed-light operations. It is speculative, at this point, to determine how the industry will meet this temporary increase in employee demand. It is possible that the introduction of cannabis operations might increase demand for housing, but given the small to medium-scale license types contemplated by the County's ordinance, any such increase in demand is not expected to be significant. Further, construction of any new housing would be

subject to existing land use regulations, including those regulating the construction of new farm labor housing. As a result, the environmental impact of any small increase in demand for housing would be less than significant.

<u>A-8.</u> While it is widely known that cannabis flower is significantly more valuable than other agricultural crops, both in the legal market and on the black market, the only impacts that are considered are related to new construction, rather than on the impact of the ordinance itself, which primarily seeks to permit cultivation in existing construction. In other jurisdictions, significant increases in criminal activity (requiring additional police protection) have been noted.

Staff Response: Staff has reviewed the cited report and notes that Denver authorizes retail establishments, not just cultivation operations, which may have a different or increased risk of crime due to the increased portability of product and cash. The environmental document identified the ordinance requirements with respect to security, surveillance, alarm systems, and fencing. Those requirements were developed based on the experience of other jurisdictions, including Colorado, and were reviewed by the San Mateo County Sheriff's Office. These requirements are imposed in recognition of the higher value of cannabis as compared to other agricultural crops, and ensure that any impact to public services would be less than significant.

<u>A-9.</u> In Section 16, "Transportation/Traffic", the ordinance is again cited as authoritative, without any support. Again, cannabis cultivation is significantly more labor intensive than other forms of agriculture, requiring additional manpower, particularly at certain times of the year. The impact of this change needs to be much more thoroughly addressed in this document. The roadways, particularly in the Coastal parts of unincorporated San Mateo County, carry traffic of all types, and the impact of additional traffic burden on already-congested highways (particularly at peak tourist season) needs to be addressed.

Staff Response: As described in response to comment A-6, the type of commercial cannabis operations contemplated by the proposed ordinance are not expected to be substantially more labor intensive than other forms of greenhouse agriculture. Mixed-light operations may have an increased demand for labor periodically throughout the year, but according to the County Agricultural Commissioner, existing conventional greenhouse operations induce similar increases in on-site visitors and employees related to holiday demand for flowers. The proposed ordinance authorizes only limited cannabis operations in existing greenhouses (with new greenhouses subject to future discretionary and environmental review) and limits the size of cannabis cultivation operations on a given site. There is no evidence to suggest the ordinance will generate significant new levels of traffic above existing conditions.

<u>A-10.</u> In Section 18, "Utilities and Service Systems" suffers from many of the same defects cited earlier. It relies, without justification, on the text of the ordinance. Section 18.a deals with wastewater, yet its citation (back to the ordinance) is used for Section 18.b, which discusses water sourcing, not wastewater.

*Staff Response*: Section 5.148.160(k) of the proposed ordinance addresses wastewater discharge, and requires compliance with all applicable Regional Water Quality Control Board requirements,

and appropriate treatment of any wastewater either on-site or via a treatment and distribution system with adequate capacity. Adequate capacity must be demonstrated as part of the license application. The impact of additional demand for water, if any, was discussed above in response to comment A-5.

<u>A-11.</u> Section 18.d asks whether additional water supplies will be needed—this is cited as "Less than Significant" with no indication of "significance", except citing that the ordinance requires applicants to identify a sustainable source of water. I addressed this deficiency earlier—this section should address additional requirements for tap water, if used, as well as groundwater.

Staff Response: Please refer to staff's response to comment A-5, above.

<u>A-12.</u> In Section 18.h & 18.i, the energy demands are not addressed at all, despite the documented increase in demand for electricity, when comparing cannabis cultivation to other crops. As with water resources, given the intensity of cultivation, and the potential number of sites in the county, you can't have all the permits citing the same "sustainable" source and simultaneously have it "sustainable" overall. As an additional source for the overall environmental costs of marijuana production, there is a thorough treatment of the public costs of cannabis cultivation in Washington State, prepared by UC Berkeley, that should be considered.

Staff Response: Please refer to staff's response to comment A-4, above.

### B. Comments received from Renee T. Ananda, Coastal Program Analyst – California Coastal Commission,

<u>B-1.</u> Please clarify the 1:1 ratio. Is it by production operation regardless of the physical size or is it by size/physical area occupied; for example, the size of the new/cannabis greenhouse can only be offset by re-locating (on the same property) an equivalent-sized greenhouse dedicated to non-cannabis ag use?

Staff Response: The agricultural production protection provision of the proposed ordinance requires relocation of any existing agricultural production to another area of the property on a 1:1 ratio. (5.148.160(f).) In the event an applicant is proposing to displace existing agriculture, the applicant must relocate the amount of agriculture that is to be displaced to another location on the same property. The ordinance does not require that the relocated agriculture be of the same type as that displaced, but the replacement agriculture must be non-cannabis. As a result, depending on the circumstances of any given property, traditional agriculture might be relocated within a vacant area of an existing greenhouse or to an unutilized outdoor area.

<u>B-2.</u> We suggest that you include language with respect to the LCP regarding the fencing requirements. Fencing and security measures should be designed and located such that they are consistent with the LCP including the policies for the protection of visual and scenic resources and sensitive species and habitats, especially those species that could be affected by installation of fencing which could prevent migration or movement to and from

potential breeding and/or foraging habitats. Also perhaps please clarify why this regulation only applies to "Mixed-light Cultivation". Perhaps "Cultivation Sites" (defined as a location where Cannabis Cultivation occurs) could be used or added.

Staff Response: The proposed ordinance provides a licensing process for cannabis agricultural operations through the County's authority to regulate this type of business activity. The ordinance does not alter existing land use regulations, including the County Zoning Regulations and Local Coastal Program. As specified in the ordinance, all proposed locations and structures must meet all State and County land use and zoning requirements. (5.148.060(b)(10), 5.148.160(b), and 5.148.160(e).)

Any modifications to existing structures or installation of new equipment, including fencing and security measures, that qualifies as "development" under the Local Coastal Program will be required to comply with the applicable LCP policies and procedures.

The fencing and security requirement (5.148.160(i)) applies to all "Cultivation Sites," although the only licenses that will be issued pursuant to the ordinance are for mixed-light and nursery cultivation. To the extent other commercial activities might be licensed in the future, different screening and security requirements may be imposed (i.e., indoor grows might not require fencing).

## <u>B-3.</u> Lighting should also address potential impacts to visual and scenic resources and sensitive species and habitat.

*Staff Response*: See response to comments A-2 and D-3. The ordinance requirements regarding lighting are intended to avoid potential impacts to visual and scenic resources and sensitive species and habitat.

<u>B-4.</u> We suggest that the sections for Pest Prevention, Runoff and Storm Water, and Wastewater Discharge should also address potential impacts to biological resources and sensitive species and habitat.

*Staff Response*: The cited provisions of the ordinance were included to address impacts to biological resources and sensitive species and habitat by requiring appropriate plans to avoid any such impacts.

B-5. Categorical Exclusion Order E-81-1 provides that ag-related development in designated rural areas can be excluded from CDP requirements. Order E-81-1 does not include/isn't applicable to agricultural greenhouses. However, improvements to and expansion of ag-related greenhouses not sited on Prime Agricultural Land are excluded with certain provisions (such as those that don't exceed 36 feet in height or increase ground coverage by more than 255 or 10,000 square-feet, whichever is less). It doesn't appear that the Commercial Cannabis Ordinance will change what is covered by E-81-1. However, we suggest that the County address the proposed ordinance's applicability to Agricultural Exclusion areas. The County should explicitly state that the ordinance regulations also apply to the Agricultural Exclusion areas. Would it be possible for improvements to and

expansion of agricultural greenhouses for marijuana cultivation to be excluded from CDP requirements by the County's existing Cat Ex E-81-1?

Staff Response: The area of agricultural exclusion from CDP requirements closely matches the lands that are designated as "Agriculture" on the General Plan Land Use Map. The proposed ordinance applies to all unincorporated areas of the County, including the agricultural exclusion area, and that area is the focus of proposed cannabis cultivation. The ordinance does not propose to alter any existing land use regulations or policies, and would not alter Categorical Exclusion Order E-81-1.

The commenter is correct that the cited Agricultural Exclusion from CDP requirements (referred to as a Coastal Development Exemption or "CDX") is not applicable to new greenhouses; new greenhouses would require the issuance of a CDP. It is also correct that the California Coastal Commission has concluded that limited improvement and expansion of existing greenhouses can qualify for a Coastal Development Exemption. Categorical Exclusion Order E-81-1 defines those limits as the improvement and expansion of existing soil dependent greenhouses not on Prime Agricultural Land that do not exceed 36 feet in height, or increase ground coverage by more than 25% or 10,000 square feet, whichever is less. Thus, it is possible that certain limited improvements to and expansion of existing agricultural greenhouses for cannabis cultivation purposes would be excluded from CDP requirements as required by Categorical Exclusion Order E-81-1.

<u>B-6.</u> There should be sufficient water for this new proposed use as well as existing agricultural use on the property. Additional use of groundwater resources should evaluate potential impacts to surrounding sensitive habitats. How would this new type of agriculture use potentially affect water consumption estimates and water capacity reservations in the LCP?

Staff Response: As noted by the commenter, the proposed ordinance requires the applicant to identify a sustainable water source to serve the proposed operation. The applicant must demonstrate that use of that water source in the proposed manner complies with all existing State and local regulation. Existing greenhouses likely have existing water sources that were approved for use when the greenhouses were installed. Consistent with State law, the County considers the cultivation of cannabis to be the cultivation of an agricultural product, not the introduction of a new use. See response to comment A-5 for a description of expected water demand. Introduction of a new type of agriculture on the limited-scale envisioned by the proposed ordinance is not expected to substantially alter water consumption estimates and water capacity reservations in the LCP. The County's LCP does not regulate water consumption for agricultural uses.

#### C. Comments received from David Shorr

## <u>C-1.</u> General comment regarding ministerial versus discretionary permitting of cannabis cultivation operations.

The commenter provided his opinion on the merits of a discretionary permitting approach to cannabis cultivation, as compared to a ministerial one. Staff has considered the issue, and

determined that a ministerial licensing scheme is authorized under State law regulating cannabis (SB 94) and also that such a scheme satisfies the requirements of CEQA. Senate Bill 94 provided a limited exemption from CEQA's general proposition that actions such as the adoption of an ordinance may be projects subject to CEQA review. The statutory exemption provided by SB 94 allowed local agencies to avoid CEQA review for ordinances that created discretionary permitting or licensing programs. This limited CEQA exemption is tailored to CEQA's general structure – all discretionary projects require CEQA review (unless a categorical or statutory exemption otherwise applies). Thus, the limited CEQA exemption in SB 94 allows local governments to quickly adopt an ordinance for a general cannabis program, while deferring environmental review to the future, on a project-by-project basis.

County staff elected, however, to complete CEQA review at the current stage of the proposed ordinance, in the interest of attempting to comprehensively analyze any potential environmental impacts at the ordinance adoption stage. In addition, the County has unique circumstances related to the location of its agricultural areas within the Coastal Zone. As a result of that geographical reality, a ministerial cannabis licensing program is significantly constrained by the existing restraints on development in the County's Coastal Zone. Thus, as described throughout the Negative Declaration and this response to comments, any cannabis activity that would require construction of a new greenhouse, or expansion of an existing greenhouse so substantial as to exceed the parameters of Categorical Exclusion Order E-81-1 would constitute "development" under the Coastal Act (see response to comment B-5 for a description), would require discretionary permits, such as a Coastal Development Permit, and associated environmental review. The County's approach to CEQA review for cannabis licensing provides maximum opportunity for analysis and disclosure of environmental impacts – both at the ordinance adoption stage and for each discretionary land use permit required for development within the County's Coastal Zone.

<u>C-2.</u> Comment Regarding 3.c.: There is no discussion or determination as to whether or not vapors, particles, gases, etc., which may be emitted by commercial cannabis cultivation operations are or are not ozone precursors. As the precise nature of filtration methodologies is not delineated, this is an open question which must be addressed. A conclusion cannot be reached at this time, based on the language of the ordinance alone.

Staff Response: The proposed ordinance has been modified to require that all non-nursery operations "be equipped with odor control filtration and ventilation system(s) based on current industry-specific best control technologies and best management practices." (5.148.130(f).) This requirement will limit vapors, particles, gasses, etc. escaping from greenhouse sites. The impacts of such emissions are further reduced by set-backs from residential zones (5.148.160(d)) and requiring that all structures used for cultivation activities comply with "applicable State or local building regulations, zoning, and land use requirements" (5.148.160(e).)

In San Mateo County, the major sources of particulate matter (PM10 and PM2.5) have historically been farming, construction, and vehicle traffic. (See Bay Area Emissions Inventory Summary Report: Criteria Air Pollutants (2014), Table 13, p. 21.) The limited cultivation activities allowed under the proposed Ordinance—mixed-light and nurseries in greenhouses within agricultural areas—is consistent with baseline existing agricultural activities within the

County. Further, the licensing program under the proposed ordinance creates a legal alternative to illegal, clandestine cannabis activities which generally rely on fossil-fuel-based generators operating for extended periods causing significant air pollutant emissions. Under the proposed ordinance, such air pollutants would be reduced because all licensed operations are required to derive their electricity from zero net energy sources. (5.148.160(m).) Air pollutant emissions from vehicle traffic is reduced by virtue of the fact that the licensing program under the proposed ordinance is limited to mixed-light cultivation and nursery operations. Finally, construction-based particulate matter will be regulated since the proposed ordinance limits cultivation to greenhouses in County agricultural zones, and does not alter any existing County Zoning Regulations or Local Coastal Program provisions. Thus, construction of any new greenhouse structures, or substantial modification of existing structures, for cannabis cultivation purposes will be subject to future discretionary review and permitting procedures.

<u>C-3.</u> Comment Regarding 4.a.: Given that cannabis is an extremely thirsty crop, as compared with traditional wheat grown greenhouse crops, and will take more water per square foot under cultivation, and areas of the south coast have very recently experienced severe drought, drawdown of water tables, failure of wells, and most significantly in regard to this particular section, human water diversions from stream courses resulting in harm to endangered and listed and threatened species, the finding of no impact here is inappropriate and inaccurate. It can be reasonably anticipated that cannabis cultivation will result in further drawdown of water tables, streams, etc. The Negative Declaration is deficient in not containing any analysis of potential effects on streamflow of commercial cannabis cultivation.

Staff Response: The proposed ordinance provides that all "Licensees must identify a water supply source adequate to meet all Cultivation uses on a sustainable basis for the Premises, provide the Department with proposed conservation measures, demonstrate that Licensee is in compliance with all statutes, regulations, and requirements of the State Water Resources Control Board, Division of Water Rights, and allow the Department and/or other County departments access to the Premises to monitor water usage. Domestic water sources must be from a source permitted by the County. A plan for compliance with this Section shall be proposed at the Application stage, Applicants are encouraged to work with the San Mateo County Resource Conservation District for help in plan development." (5.148.160(r).) See response to comment A-5 for a description of anticipated water demand. Further, the licensing program under the proposed ordinance creates a legal alternative to illegal, clandestine cannabis activities which have historically been associated with negative impacts to biological resources, including water diversion.

<u>C-4.</u> Comment Regarding 4.b.: Given that cannabis is an extremely thirsty crop, as compared with traditional wheat grown greenhouse crops, and will take more water per square foot under cultivation, and areas of the south coast have very recently experienced severe drought, drawdown of water tables, failure of wells, and most significantly in regard to this particular section, human water diversions from stream courses resulting in harm to endangered and listed and threatened species, the finding of no impact here is inappropriate and inaccurate. It is reasonably anticipated that cannabis cultivation will result in further drawdown of water tables, streams, etc. The Negative Declaration is

deficient in not containing any analysis of potential effects on streamflow and riparian habitat of commercial cannabis cultivation.

*Staff Response*: See above response to comment C-3.

<u>C-5.</u> Comment Regarding 4.d: See comments for the above two sections; in addition for this particular item, should water use draw down streamflow, that could in and of itself impede movement of species as noted in this section 4.d. Negative Declaration is deficient in not containing analysis of this risk, simply stating "no impact".

Staff Response: See above response to comment C-3.

<u>C-6.</u> Comment Regarding 7.a: County findings here are inadequate, and not substantiated with any data or analysis.

In a three-month growing cycle, commercial cannabis requires 18 hours of controlled light during the first four weeks of vegetative stage, and 12 hours per day of controlled light during the next eight weeks of flowering. The Negative Declaration makes no basis or calculations to substantiate finding of no impact.

The light cycle required for commercial cannabis cultivation amounts to approximately 56% of the time over a three-month process cycle – this light is not natural daylight, it must be controlled for intensity very carefully, in other words, even if there is some natural light coming in for some period of those hours, electricity will be utilized to even out and supplement natural light. For the County to substantiate its no impact finding, this would need to be compared with the actual, historical lighting and electrical usage in greenhouses which have been identified as potential subjects for permitting. Instead, the Negative Declaration relies on a claim that specific numbers cannot be provided because no projects are currently on the table for evaluation. If that's the case, this again illustrates that this may be an inappropriate application of environmental review, for the ordinance, rather than projects the ordinance will regulate.

In addition, additional electrical load will be required for cannabis operations in the form of additional air handling capabilities which do not exist for conventional greenhouse crops. Influent air is frequently filtered in these operations. County regulation will require air handling and filtering of effluent to control odor. These electrical loads are not quantified in the County report, but quite obviously, will be significant by definition, and a change from current status. Here on the coast, we stand on the sharp end of the spear of climate change – we quite literally have roads, houses, bridges, and other infrastructure falling into the ocean. It is hypocritical to not be leading the charge towards a more sustainable world – we must be doing everything we can to ensure that we are not worsening climate change.

While the draft ordinance does require using renewable energy through clean power purchasing agreements, that is a very indirect way of mitigating the large amounts of electrical energy which will be used in commercial cannabis cultivation. Many analyses of clean power initiatives have concluded that this is merely shuffling the deck chairs on the Titanic – unless the subject industry is putting up solar panels or wind turbines to directly offset energy use, while clean power purchase agreements are of some value, they are not a panacea. Using "clean power" for these permitted applications means less clean power is

available for others, and therefore, additional dirty power is used elsewhere. For all these reasons, the County's analysis and declaration of no impact is therefore incorrect.

Nevertheless, ordinance section 5.148.160. Cultivation Requirements, section (m) requires 100% renewable energy. This section should be further modified to explicitly require 100% renewable energy source with bundled REC's only. In industry discussions of "clean power", it is clear that some entities try to cut corners, save costs, by dealing in unbundled REC's, which have been analyzed to provide even less environmental benefit.

Referenced in comments to section 10.g., another greenhouse gas emission effect which must be considered under indirect categories is that of labor force increase, with attendant commuting miles driven, and need for housing. The County report is deficient in not considering any of these factors and evaluation of potential impact on greenhouse gas emissions.

Additionally, greenhouses accomplish climate control by heating with natural gas when available, and propane when not available (as is the case for most structures on the San Mateo County coast although it is reported that at least one of the major greenhouses on County land, though immediately adjacent to Half Moon Bay City, chooses to heat with propane instead of (available) natural gas). County document is deficient in not including any analysis of increased use of propane for climate control for cannabis cultivation – burning natural gas or propane clearly contributes directly to greenhouse gas emissions, and is not directly mitigable.

Staff Response: The proposed ordinance requires that "[a]ll electrical power, including, without limitation, for illumination, heating, cooling, and ventilation, shall be provided by on-grid power with 100% renewable energy source or on-site zero net energy renewable source such that annual consumed energy is less than or equal to the on-site renewable generated energy. The use of generators is prohibited, except for portable temporary use in emergencies only. A plan for compliance with this Section shall be proposed at the Application stage." (5.148.160(m).) Further, as discussed above, the proposed ordinance authorizes only mixed-light cultivation and nursery operations in greenhouses, a much more energy-efficient method of production. (See Economic Costs and Benefits of Proposed Regulations for the Implementation of the Medical Cannabis Regulation and Safety Act (MCRSA) Standardized Regulatory Impact Analysis, University of California Agricultural Issues Center (Feb. 23, 2017), § 12.4: "One reason for the current proliferation of indoor cultivation operations is also that they are the more inconspicuous to authorities. Insofar as state regulation enables and compels cultivators to be openly licensed and monitored by state authorities, the risk reduction incentives to run warehouse growing operations in situations where they are less efficient are eliminated. Thus regulation may further push investment in legal cannabis production toward more efficient greenhouse operations that use less energy inputs.")

<u>C-7.</u> Comment Regarding 7.b: See discussion on point above. County document does not include any discussion or listing of policies or regulations currently in effect, with which this proposed ordinance and Negative Declaration must be shown to not conflict with. San Mateo County has taken a rather robust stance with regard to climate change/carbon goals, and the environmental review utilized here should compare the potential impacts with the goals of those programs currently in place or contemplated in the near future.

Staff Response: See above response to comment C-6.

<u>C-8.</u> Comment Regarding 8.c: "The proposed ordinance does require all commercial cultivation operations to be a minimum of 1,000 feet from all schools." While my comment here is not objecting to the County's characterization of risks from hazardous omissions, it must be pointed out that, for multiple sections of the Negative Declaration report, "no impact" assumptions by the County appear to be based on the 1000 foot buffer from schools, day care, parks, and as currently contemplated as of the date of writing of this comment document, a 1000 foot buffer from residential homes. I am also aware that there is discussion among County staff to reduce that 1000 foot buffer, perhaps to as little as 300 feet. Should any modification to that 1000 foot buffer zone he made subsequent to the close of comment for the Negative Declaration document, additional opportunity must be made to reevaluate the entire ordinance, Negative Declaration document, and public comments in light of any change to the buffer zone, as this will impact proximity, security, odor, light, water table, streamflow, and other considerations.

*Staff Response*: The comment does not raise environmental concerns related to the proposed ordinance as drafted.

C-9. Comment Regarding 9.b: On this point, the County does not find no impact, but a less significant impact. This is a prime example of the inappropriateness of applying this Negative Declaration to the entire "project" – in other words, all potential future permit applications for commercial cannabis cultivation, for which reliable data does not exist at the point in time of this environmental review. Relying on other pre-existing regulatory mechanisms to control this on a case-by-case basis is a slippery slope, and asking for trouble. Individual permit applications must not be removed from the discretionary permitting process, and must not be allowed to be approved on an ministerial basis. By deferring this issue to future analysis, the County avoids and sidesteps any actual documentation, statistics, or analysis which would support its finding of less than significant impact. This is therefore a prime example of the piecemealing which appears to be inherent in the environmental review process as currently applied. Therefore, on this section 9.b, the County's analysis of less than significant impact is called into question, and should be sent back for more work.

Staff Response: The proposed ordinance provides that all "Licensees must identify a water supply source adequate to meet all Cultivation uses on a sustainable basis for the Premises, provide the Department with proposed conservation measures, demonstrate that Licensee is in compliance with all statutes, regulations, and requirements of the State Water Resources Control Board, Division of Water Rights, and allow the Department and/or other County departments access to the Premises to monitor water usage. Domestic water sources must be from a source permitted by the County. A plan for compliance with this Section shall be proposed at the Application stage, Applicants are encouraged to work with the San Mateo County Resource Conservation District for help in plan development." (5.148.160(r).)

<u>C-10.</u> Comment Regarding 10.d: County answer here is again inadequate, and illustrates peril of applying this Negative Declaration to all potential future projects, in the absence of

any actual plans or data. Congregation of 50 persons or more on a growing site seems quite likely, given the reported high labor demands of cannabis cultivation. Public statements by Martin Lagod, venture capitalist and potential investor in one or more local projects have stated that another project he is working on contemplates 450 employees in 165,000 ft.<sup>2</sup> of cannabis cultivation. That is 120 workers per acre. Given that the County is contemplating permits of up to 66,000 ft.<sup>2</sup> (1.5 acres) per license/premise, that is potentially 180 workers congregating. County document is otherwise lacking in analysis to support its finding of no impact.

Staff Response: The County's research indicates that a one-acre cultivation site is estimated to require only 12-15 employees during the peak seasonal period, not 120 employees. (See, e.g. Sonoma County Medical Cannabis Land Use Ordinance, File #ORD15-0005, Negative Declaration, p. 44.) Further, there is no indication that the limited mixed-light cultivation and/or nursery operations in existing greenhouses authorized by the proposed ordinance would result in the congregation of 50 persons or more. See response to comment A-6 for a description of expected labor requirements. Even assuming, for the sake of argument, that future cannabis operations would require 120 employees per acre, all Licensees must comply with operational standards intended to mitigate the effects of persons congregating onsite, such as surveillance (5.148.130(d)), security (5.148.130(e)), screening all cultivation activities from public view (5.148.130(g)), limiting persons who are able to access sensitive areas (5.148.130(l)), monitoring conduct on the site and within the parking areas under Licensee's control to assure behavior does not adversely affect or detract from the quality of life for adjoining residents, property owners, and businesses (5.148.130(m)), and regulating on-site parking and delivery drop off/pick up zones (5.148.130(n)).

<u>C-11.</u> Comment Regarding 10.e: County logic used to support a finding of no impact on this point is novel, but not adequate. By simply calling cannabis another agricultural product, this point is dismissed by the County. However, we wouldn't be having all this discussion if cannabis was the same as brussels sprouts. Or petunias. This is another example of an extremely narrow interpretation in drafting of this document being used to justify a finding of no impact. It is plainly obvious that cannabis cultivation in large greenhouses is an activity not currently found within the community.

Staff Response: The State defines cannabis as an agricultural product. (Bus. & Prof. Code, § 26069(a).)

C-12. Comment Regarding 10.g: County document is deficient in not providing any analysis for the conclusions made. Saying "we don't know what might happen" is not adequate basis for a reasoned conclusion. Please see statement referenced above from a cannabis industry expert stating that approximately 120 jobs per acre of cultivated land will be created. It is unclear to this author exactly how many acres or square feet might be converted to cannabis cultivation – There is a document (attached to this report) from the County with an inventory of greenhouse spaces. There is no delineation of how many square feet would or could convert to cannabis. However, if we have only 10 acres converting, 440,000 ft.², that would be need for an additional 1200 workers. With unemployment in San Mateo County at 3.2%, and existing forms already reporting labor

shortages, it begs several rather obvious questions – where would these workers come from, what roads would they drive on, and where would they live. The answers to those questions are proper topics of discussion of an adequate environmental review. I would like to reference and attach this discussion to other sections of this Negative Declaration which discuss traffic, housing, as well as greenhouse gas emissions, as both housing and commuting activities additionally contribute to greenhouse gas emissions. People are already being forced from their homes due to rising rental prices. The need to house an additional 1200 workers, or more, or less, will inevitably put additional pressure on the housing market, resulting in additional displacement of existing residents. County discussion and conclusion on this point is inaccurate and inadequate.

Staff Response: See above response to comment C-10 regarding anticipated employment. Further, the proposed ordinance requires all Applicants to develop a detailed description and plan for hiring local residents. (5.148.060(b)(14).)

<u>C-13.</u> Comment Regarding 13.a: Discussion on 10.g above. The labor-intensive nature of commercial cannabis cultivation, promoted as job creating benefits by proponents of commercialization, de facto leads to significant population growth, especially in the rural portions of San Mateo County, where housing stock is already inadequate, and any perturbation of this market causes additional dislocation, price increase, and disruption. County finding is inaccurate and inadequate, and lacks factual basis.

*Staff's Response*: The proposed ordinance includes the establishment of a new regulatory framework for limited cannabis cultivation activities. No new subdivisions or housing units would be allowed under the proposed ordinance. Therefore, the proposed ordinance would not induce substantial population growth in the area or displace existing housing or people necessitating the construction of housing elsewhere.

<u>C-14.</u> Comment Regarding 14: I disagree with the County finding here, referencing above sections with significant increase in employment and population base, need for government services would rise proportionally at least. In addition, it is well documented in communities where cannabis cultivation (legal or illegal) has become well rooted (no pun intended), and overburden of homeless persons seeking employment in the cannabis industry reliably develops. With mental health, and substance abuse problems, in addition to all the challenges of homelessness, this overburden significantly increases the need for social services, which is effectively nonexistent at this point in time in rural San Mateo County or Half Moon Bay, even for existing residents.

Staff's Response: The commenter's concerns are predicated on a number of unsupported assumptions regarding population growth, homelessness, and mental health and as such are speculative. The public-service-related impacts of the limited cultivation activities allowed under the proposed ordinance are reduced by the inclusion of operational standards such as surveillance, alarm, limited access, and monitoring requirements (5.148.130(d), (e), (l), (m), 5.148.160(i)), record retention and implementation of a track-and-trace system (5.148.140, 5.148.150), and compliance with fire code requirements and applicable State and local building regulations, zoning, and land use requirements.

<u>C-15.</u> Comment Regarding 16.b: In the more rural, southern portions of the County, even with significant employment increases resulting from commercial cannabis cultivation operations, I agree, traffic will not be negatively impacted. However, for the areas immediately north and south of the city of Half Moon Bay, Highway 1 and Highway 92 are already significantly impacted by heavy traffic flows, with extremely poor scores on level of service standards. Contemplating 120 new agricultural workers per acre of cultivation of cannabis, it cannot reasonably be stated, as County document attempts to do, that introduction of this novel activity will have "no impact".

Staff's Response: See above response to comment C-10 regarding the scope of anticipated employment. Also, the limited nature of the licensing program—mixed-light cultivation and nursery operations in greenhouses within agricultural areas—will limit the amount of non-employee traffic/travel. Further, the proposed ordinance does not alter any existing County Zoning Regulations or Local Coastal Program provisions. Thus, traffic related to the construction of any new greenhouse structures, or substantial modification of existing structures, for cannabis cultivation purposes will be subject to future discretionary review and permitting procedures.

<u>C-16.</u> Comment Regarding 18.d: County determination of "Less than significant impact" cannot reasonably be made based on County's own statements here – no permit applications for commercial cultivation have been submitted yet (no permit applications have been submitted because the County is not accepting applications). As noted previously, environmental impacts can only be accurately assessed when we are presented with actual projects to evaluate, their size, their scope, their resource needs, as compared with resource availability. This illustrates again the problems of applying environmental review to the ordinance as opposed to the projects themselves, and de facto exempting the project themselves from the very environmental review which is meant to prevent them from doing environmental damage. The same conclusion applies to any and all sections of the Negative Declaration with County declares that there is no impact simply because no applications had been received yet.

However, on the specific point of sufficiency of water supply, it has been previously noted that cannabis cultivation requires more water than most other crops. For this reason, and because of the uniqueness of individual sites, this is a very concrete example of why discretionary permit review, and appropriate and adequate environmental review, compliant with California code, must be applied to every individual permit application, rather than relegating these important issues to ministerial approval.

As previously noted, we recently endured a prolonged drought which resulted in mandatory water restrictions from public agencies, insufficiency of water supply in many areas of the rural County, and a crisis to the extent that for the first time in history the State of California began a process to start adjudicating groundwater in heavily impacted basins. In the context of all of this, making a blanket statement that all future potential commercial cannabis cultivation operations would have a less than significant impact is not reasonable, believable, or possible. All of this emphasizes the point that discretionary review of every permit with full environmental review must be done, as was intended by the State Legislature when drafting SB 94.

Staff's Response: See above response to comment C-3. Regarding stormwater runoff, the proposed ordinance also provides "[r]unoff containing sediment or other waste or by-products, including, without limitation, fertilizers and pesticides, shall not be allowed to drain to the storm drain system, waterways, or adjacent lands, and shall comply with all applicable State and federal regulations. A plan for compliance with this Section shall be proposed at the Application stage." (5.148.160(j).)

# D. Comments received from Craig J. Weightman, Acting Regional Manager, Bay Delta Region, State of California – The Natural Resources Agency, Department of Fish and Wildlife

### <u>D-1.</u> CDFW is opposed to new commercial cultivation of cannabis on forested parcels, including lands designated as "Timber Production-Rural".

Staff's Response: Under the proposed ordinance, the County shall only issue licenses for mixed-light cultivation and nursery operations in greenhouses on "(1) lands designated as 'Agriculture' by the County General Plan Land Use Map, and (2) other lands where commercial agricultural use has been conducted for the three years preceding the effective date of this ordinance, as verified by the Agriculture Commissioner." (5.148.050.) Further, the proposed ordinance does not alter any existing County Zoning Regulations or Local Coastal Program provisions. Thus, no commercial cultivation of cannabis can occur on forested lands, including lands zoned as "Timber Preserve Zone-Coastal Zone," or lands designated in the General Plan as "Timber Production-Rural," without discretionary review. Clearing an area large enough to allow for both the construction of new greenhouses and adequate solar access would potentially conflict with several TPZ-CZ zoning standards, as well as General Plan and LCP policies.

<u>D-2.</u> The Biological Resources impact analysis section of the ND states the adoption of the proposed Ordinance would not authorize any land disturbance that could result in any adverse impacts to sensitive habitats or species. Although cannabis cultivation would be limited to existing greenhouse structures, these structures may require improvements, maintenance activities, and would have to comply with fire code requirements that require emergency vehicle access and turn-around, vegetation management, and fire breaks around all structures.

*Staff's Response*: As explained above, the proposed ordinance does not alter any existing County Zoning Regulations or Local Costal Program provisions. Thus, construction of any new greenhouse structures, or substantial modification of existing structures, for cannabis cultivation purposes will be subject to future discretionary review and permitting procedures that ensure protection of biological resources.

<u>D-3.</u> CDFW supports Section 5.148.160 (h), Lighting, in the proposed Ordinance that states "[a]ll Operations shall be fully contained so that little to no light escapes." The Ordinance goes on to state that "[I]ight shall not escape at a level that is visible from neighboring properties or the public right of way between sunset and sunrise." CDFW is concerned that

in rural open and timberlands, the neighboring properties or public right of way might be 0.25 miles away or more and Licensees might be less inclined to prevent light escapement from their nighttime, greenhouse grow operations. CDFW recommends that ail greenhouses block light escapement at night such that little to no light shall be visible beyond the cultivation area or from a fixed distance (e.g. 250 feet) in all directions from the structure. Outdoor security lighting could be exempt but would still be subject to the proposed requirement that "[a]ll lighting shall be fully shielded, downward casting, and not spill over onto other structures, other properties, or the night sky."

*Staff's Response*: Please see response to comment A-2 for a description of why impacts related to night lighting are not expected to increase above existing conditions. While not required to reduce a significant impact, staff has modified the proposed ordinance to incorporate the recommended 250 foot visibility buffer, where feasible (5.148.160(h)).

<u>D-4.</u> The Noise Impact Analysis section of the ND states that "[g]reenhouses typically use fans to pull outside air into the building and circulate it, which does generate noise.... Many wildlife species have better hearing and are more sensitive to noise than humans. The effects of noise pollution on wildlife include disrupting communication between individuals, affecting predator-prey relationships and foraging efficiency, and habitat selection and bird nesting density (Barber et al. 2009; Francis and Barber 2013). Noise pollution can be especially harmful to night-foraging animals such as owls and bats, which hunt for prey primarily though hearing. CDFW supports the proposed Ordinance Section 5.148.160(m), which prohibits the use of generators except for portable temporary use in emergencies as diesel and gasoline-powered generators tend to produce considerable noise pollution.

Staff's Response: As described in response to comment D-2, and throughout the Negative Declaration and this document, the proposed ordinance will not directly authorize the construction of new or significant expansion of existing greenhouses. To the extent existing greenhouses are operated with fans to support the production of existing agricultural products, there is no evidence that those activities would be substantially different for the production of a cannabis crop. As a result, the proposed ordinance would result in no change from existing conditions with respect to noise levels related to fan operations in an agricultural area.

<u>D-5.</u> The Biological Resources impact analysis section of the ND also states that any future impacts to biological resources due to construction of new greenhouses would be subject to future discretionary review, including CEQA review. Rather than deferring the biological impact analysis to the County's future ministerial cannabis permitting process, CDFW recommends the CEQA document include an analysis of potential impacts to special-status species and sensitive habitat types.

Staff's Response: See above response to comment D-2. As stated, the only cannabis cultivation activities that could occur pursuant to the proposed ordinance with solely a ministerial license, are those that occur within an existing greenhouse not requiring substantial expansion. As a result, the ordinance does not directly authorize any ministerial activities that will result in potential impacts to special-status species and sensitive habitat types. Any future activities that would involve significant land disturbance will require discretionary review, and any species or

habitat impacts would be identified at that time, as they are for any other type of agricultural development.

<u>D-6.</u> The proposed Ordinance [Section 5.148.160 (r)] states, in part, that the Licensees must identify a water supply source adequate to meet all cultivation uses on a sustainable basis. It is unclear in the ND how many Licensees would identify a well or nearby stream as their water source. This is a concern especially on lands identified as "Open Space-Rural" and "Timber Production-Rural" as surface water and groundwater withdrawals could individually and cumulatively adversely affect riparian and instream habitats for native fish and wildlife. The Ordinance, as currently proposed, does not provide protection for instream flows and the fish and wildlife resources that depend upon it. The ND should include an analysis of groundwater/streamflow availability and cumulative impacts to surface and groundwater resources. Permitting of groundwater wells with the potential to impact streamflow should also include avoidance, minimization and mitigation measures to protect state and federally listed species and their habitat.

Staff's Response: Under the proposed ordinance, the County shall only issue licenses for mixedlight cultivation and nursery operations in greenhouses on "(1) lands designated as 'Agriculture' by the County General Plan and Use Map, and (2) other lands where commercial agricultural use has been conducted for the three years preceding the effective date of this ordinance, as verified by the Agriculture Commissioner." (5.148.050.) Moreover, the proposed ordinance does not alter any existing County Zoning Regulations or Local Coastal Program provisions. Thus, no new cannabis cultivation activities can occur on lands designated in the General Plan as "Open Space-Rural" or "Timber Production-Rural" without discretionary review. These "structural" limitations will effectively reduce the number of licenses issued and, therefore, the cumulative impacts of the licensing program. The proposed ordinance also requires that all "Licensees must identify a water supply source adequate to meet all Cultivation uses on a sustainable basis for the Premises, provide the Department with proposed conservation measures, demonstrate that Licensee is in compliance with all statutes, regulations, and requirements of the State Water Resources Control Board, Division of Water Rights, and allow the Department and/or other County departments access to the Premises to monitor water usage. Domestic water sources must be from a source permitted by the County. A plan for compliance with this Section shall be proposed at the Application stage, Applicants are encouraged to work with the San Mateo County Resource Conservation District for help in plan development." (5.148.160(r).) As stated in response to comment A-5, existing greenhouse structures should already be supported by an existing water source, either groundwater or a water district connection. New construction would be subject to discretionary review, including applicable environmental analysis.

<u>D-7.</u> CDFW is concerned about the cumulative impacts, not only from permitted and unpermitted cannabis cultivation, but also rural residential development and other types of development that have similar impacts. CDFW recommends that the County establish maximum limits of allowable cultivation sites and/or square feet of cannabis canopy as a proportion of a given watershed to minimize cumulative impacts.

*Staff's Response*: See above response to Hydrology and Water Quality regarding cumulative impacts. In addition, the proposed ordinance regulates legal cultivation activities, not past illegal

operations. Cumulatively, however, it is likely that the proposed legal cultivation scheme will reduce environmental impacts from those associated with illegal operations.

<u>D-8.</u> The ND and proposed Ordinance do not discuss or provide guidelines for the restoration and abandonment of cannabis sites. Abandoned cannabis cultivation is known to be a significant and ongoing problem, especially on public lands. CDFW recommends the ND include specific provisions and sections that provide funding, regulatory, and enforcement resources that will allow for evaluation, planning, and implementation of adequate restoration on lands that have been adversely affected by previous cannabis cultivation.

Staff's Response: As explained above, the proposed ordinance regulates legal cultivation activities, not past illegal operations. To mitigate effects of future restoration and abandonment of licensed, the proposed ordinance requires all persons seeking a license "to provide proof that Applicant has complied with all State insurance requirements and proof that the Applicant has obtained a surety bond in the amount of not less than \$35,000 payable to the Department to ensure payment for the costs of confiscation, storage, clean-up or abatement of any wastes, including regulatory oversight costs, and/or destruction of Cannabis when such costs are necessitated by a violation of this Chapter or other applicable federal, State, or local law. The surety bond shall be issued by a corporate surety licensed by the State, is in addition to any such bond required by the State, and must be maintained at all times a valid License exists and for an additional six months after a License has been revoked." (5.148.060(19).) The proposed ordinance also holds property owners responsible for violations caused by tenant cultivators.