



# COUNTY OF HUMBOLDT

For the meeting of: 3/2/2023

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File #: 23-268

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**To:** Planning Commission  
**From:** Planning and Building Department  
**Agenda Section:** New Business

**SUBJECT:**

North Wind Management, LLC; Conditional Use Permit and Coastal Development Permit  
Assessor Parcel Numbers (APN) 401-112-030  
Record No.: PLN-2021-17447  
Samoa area

A Conditional Use Permit and Coastal Development Permit to authorize a new cannabis project as an interim use in the Industrial/ Coastal-Dependent Zone. The project is proposing a 50,875 sf warehouse building that will consist of 1-acre of indoor cannabis cultivation with 4,350 square feet (sf) of ancillary propagation, as well as ancillary drying and trimming activities. Indoor cultivation will occur year-round with up to five (5) harvests per year. Hydroponic cultivation techniques will be utilized with very little use of imported soils. The project will also utilize two (2) existing structures for off-site commercial processing, infusion and distribution activities, and will potentially rent out existing office spaces. Non-volatile and volatile manufacturing activities are proposed to occur within two (2) 480 sf new modular structures. Water will be sourced by the Humboldt Bay Municipal Water District through an existing water connection. A total of 384,000 gallons of water is anticipated to be used annually at the site. 360,000 gallons of that water is anticipated for cultivation activities (7.5gal/sf/yr), and 24,000 gallons is anticipated to be used for manufacturing and processing activities. 100% renewable power will be sourced from PG&E's REPower+ plan through an existing service/substation, and a PG&E service upgrade is proposed. Up to forty (40) employees will be used during peak operations on-site. The project will conform to all Adaptive Reuse Standards for Industrial Sites and will meet all Performance Standards for interim use projects within the Industrial/Coastal-Dependent (MC) zone.

**RECOMMENDATION(S):**

That the Planning Commission:

Adopt the resolution (Attachment 1) which does the following:

- a. Finds that the Planning Commission has considered the Environmental Impact Report for the Commercial Cannabis Land Use Ordinance and Addendum that was prepared for the North Wind Management, LLC project); and
- b. Finds that the proposed project complies with the General Plan and Zoning Ordinance; and
- c. Approves the Conditional Use Permit and Coastal Development Permit subject to the recommended conditions of approval (Attachment 1A)

**DISCUSSION:**

**Project Location:** The project is located in Humboldt County, in the Samoa area, on the West side of Vance Road, approximately 760 feet from the intersection of New Navy Base Road and Vance Road, on the property known as 936 Vance Road.

**Access:** The project is accessed off of County maintained New Navy Base Road, from State Hwy 255.

**Present General Plan Land Use Designation:** Industrial Coastal Dependent (MC), Industrial General (MG) Humboldt Bay Area Plan (HBAP), Moderate Instability (2).

**Present Zoning:** Industrial/Coastal-Dependent with an Archaeological Resource Area Outside Shelter Cove Special Combining Zone, and Industrial General (MC/A; MG).

**Environmental Review:** An Addendum to a previously adopted Environmental Impact Report has been prepared for consideration per §15164 of the State CEQA Guidelines.

**State Appeal:** Project is appealable to the California Coastal Commission.

**Major concerns:** The project is located within an Industrial/Coastal-Dependent zone, and the applicant is applying for an Interim Use Permit for a non-coastal dependent use of the site.

**Executive Summary:** North Wind Management, LLC is applying for a Conditional Use Permit (CUP) and Coastal Development Permit (CDP) to authorize a new interim cannabis project located in the Humboldt Bay Area Plan (HBAP). The project will consist of 1-acre of indoor cultivation with ancillary drying and propagation, off-site commercial processing, distribution, manufacturing activities involving volatile & non-volatile manufacturing, and infusion to make pre-rolls. Indoor cultivation will occur year-round with up to five (5) harvests per year. Up to forty (40) employees will be used during peak operations on-site. The project will conform to all Adaptive Reuse Standards for Industrial Sites and will meet all Performance Standards for interim use projects within the Industrial/Coastal-Dependent (MC) zone.

Power will be sourced by PG&E, and the applicant plans to get an amperage upgrade in order to support the indoor cultivation facility. Prior to the issuance of building permits or initiation of any actives requiring the use of electricity, the applicant shall provide documentation demonstrating adequate electricity is available to the project site, to the satisfaction of the Planning Director (**Condition A.5**). The project will utilize two (2) existing structures for off-site commercial processing, infusion and distribution activities. Minor improvements may be made to the existing structures, and existing office spaces within one of the existing structures may be rented out in the future. The project is proposing a new 50,875 square foot (sf) warehouse building that will consist of 1-acre of indoor cannabis cultivation with 4,350 sf of ancillary propagation space, as well as ancillary drying and trimming. The project will likely be phased with the activities occurring first within the existing structures, and activities within the proposed warehouse commencing after the applicant obtains the necessary permits. The warehouse structure will consist of removable modular units, and the size and number of modular units are currently unknown. The applicant shall submit an updated Floor Plan, to the Planning Division prior to installation of modular units, in order to show the exact amount, size, and use of modular structures to be within the proposed warehouse (**Condition A.6**).

Non-volatile and volatile manufacturing activities are proposed to occur within two (2) 480 sf new modular structures. An additional twenty-nine (29) 8' x 20' shipping containers are proposed for climate-controlled storage and drying areas. The project was referred to the Building Division on September 28, 2021, and comments from the Building Division recommended approval for the project. The applicant will permit all

structures with a nexus to cannabis, including but not limited to: one (1) proposed 275' x 185' commercial warehouse structure, modular units within the proposed warehouse, one (1) existing office building, one (1) existing building for off-site processing, two (2) 12' x 40' modular structures (one for volatile and one for non-volatile manufacturing), and twenty-nine (29) 8' x 20' shipping containers for drying and storage, prior to commencing activities within the structure (**Condition A.7**). There is an existing fence of over 6-feet that borders the subject property. There are no required setbacks for the site, and per section 313-154 of the HCC, the applicant is required to obtain a building permit for any fence that is over 6 feet (**Condition A.8**).

The two (2) existing structures are connected to an existing unpermitted septic system on-site. The project was referred to the Department of Environmental Health (DEH) on September 28, 2021. Comments were received by the agency on December 7, 2022, requesting that the applicant investigate the existing septic system to determine sizing and functionality. Updated comments were received by DEH on January 31, 2023, stating that DEH has no record of the existing onsite wastewater treatment system located at the site. The applicant shall adhere to the following recommended conditions of approval from DEH:

- a. The applicant shall demonstrate that the existing onsite wastewater treatment system (OWTS) is sized to accommodate the anticipated wastewater flow rate proposed by the project and complies with current OWTS standards (Humboldt County OWTS Regulations and Technical Manual). If the existing OWTS is determined to be undersized or non-compliant with current standards, the applicant must tie into public sewer once available (**Condition A.9**).
- b. Industrial wastewater tailings from indoor cultivation and manufacturing activities cannot be discharged to the OWTS. The applicant shall contact the North Coast Regional Water Quality Control Board regarding industrial wastewater disposal requirements, and shall dispose all industrial wastewater appropriately (**Ongoing Condition B.1**).
- c. In the event that Peninsula Community Services District extends sewer service area to within 300 feet of the project location (APN 401-112-030), the facility must connect to PCSD public sewer (**Ongoing Condition B.2**).

Performance Standards for Interim Uses:

As the site is within the MC zone for Industrial/Coastal-Dependent uses, and the project is not coastal-dependent, the project is required to meet the Performance Standard requirements for Interim Uses in the Industrial/Coastal-Dependent Zone (Section 313-104.1 of the Humboldt County Code [HCC]). The project has shown that it will not be detrimental to other coastal-dependent uses as there are no approved coastal-dependent uses existing on the subject property, the project will utilize and enhance the existing structures on-site were feasible, the project will incorporate the use of shipping containers and modular units which are removable, and the project is proposing a new warehouse structure which could enhance the utility of the project site for future coastal-dependent industrial uses. The site is also accessed off of Vance Avenue, which is a county-maintained Category 4 road.

The Planning Division is recommending that the Planning Commission approve the site for a five (5) year interim period for the permit, and the applicant will have the option to receive a five (5) year extension at the time of interim permit expiration (**Informational Note 1**). Per section 313-104.3.4.1 of the HCC, the Hearing Officer shall set the term for the permits, which shall normally be between one (1) and (7) years. The parcel contains approximately 19-acres, the project will only utilize up to 4-acres of the site, and the site is considered a Priority 2 Site for Coastal-Dependent uses under the HBAP "sites requiring the construction of new facilities which do not convert wetlands".

The project is located in the Samoa Peninsula, and is near the Humboldt Bay Harbor, Recreation, and Conservation District's (the Harbor District) Master Plan for offshore wind and aquaculture uses. The project

was referred to the Harbor District on September 28, 2021. Comments were received from the Harbor District on August 24, 2022, in regards to the projects location and its compatibility to the Harbor District's draft Master Plan for the area. The applicant's parcel has not been included in the draft Master Plan, as the applicant was not interested in participating in the Harbor District's project. The Harbor District has stated that there is a great deal of interest in the applicant's site for the future wind project, and recommended conditions from the Harbor District have been incorporated into the conditions of approval.

After further conversations with the Harbor District, and an email received on February 13, 2023, the Harbor District supports the five year interim use period for the permit, with the added recommended conditions of approval. The offshore wind project will likely start developing the area between 2027 and 2028. The offshore wind developments will likely occur in phases with development starting at the shore, will work from north to south and then inland towards the North Wind Management project. As the project still needs to finalize an Environmental Impact Report and go through the Environmental Review process prior to receiving approval for development, and then will require building permits, potential development at the applicant's site will likely have the minimum of a 5-year timeframe.

Per section 313-104.1.3.7 of the HCC, the project site shall be restored to pre-project conditions, or to a condition that would preserve or enhance the project site for future coastal-dependent industrial use, on or before the expiration date of a use permit and coastal development permit for an interim use (**Ongoing Condition B.3**). The applicant anticipates that it will take approximately 6-months to remove all modular units, storage containers, and cannabis related infrastructure, in order to return the site back to coastal-dependent uses.

Per section 313-104.1.3.10 of the HCC, any lease for an interim use shall include a provision for rescission of the lease and mandatory relocation or removal of the interim use within six month in the event a coastal-dependent industrial use or other priority use is identified by the property owner for the space occupied by an interim use on terms acceptable to the property owner. A copy of the lease showing compliance with this provision shall be provided to the Planning Division prior to permit issuance (**Condition A.10**). The property owner may exercise the lease rescission provision if a coastal-dependent industrial use or other priority use attempting to occupy the site would be prohibited from doing so due to the existence of one or more interim uses (**Ongoing Condition B.4**).

Per section 313-104.1.3.4.5 of the HCC, the approval and existence of the subject CUP and CDP for interim use shall not prevent the application for and approval of any required land use permits for non-interim principally permitted use in the MC zone district for the same parcel, even if for the same location on the parcel, subject to the condition that the permits for any non-interim use that would conflict with an interim use shall not become effective until the expiration of the interim use permit set by the Hearing Officer, and the abandonment of the interim use during the permit term of the interim use, or the rescission of the lease for the interim use and the removal or relocation of the interim use in accordance with section 313-104.1.3.10 (**Ongoing Condition B.5**).

Per section 313-104.1.3.5 of the HCC, an interim use permit and coastal development permit shall not confer any land use entitlement or property right to the holder of the permits beyond the permit expiration date set forth in the use permit and coastal development permit. Interim permits shall expire at the end of the term set by the Hearing Officer, at which time they become null and void. Interim uses shall cease operation and all permitted development not authorized to remain by permit shall be removed by the permit expiration date. Issuance of a new use permit and coastal development permit prior to the expiration date of the existing CUP and CDP authorizing the interim uses shall be required in order to continue an interim use uninterrupted beyond the expiration date of the existing permit (**Ongoing Condition B.6**).

Per section 313-104.1.3.6 an interim use must commence within one (1) year after all applicable appeal periods have lapsed. Extensions of the initial permit vesting period (the period by which the interim use must begin) may be approved in accordance with Section 312-11.3 of the Zoning Ordinance (“Extension of a Permit or Variance”) (**Ongoing Condition B.7**). Lastly, per section 313-104.1.3.8 of the HCC, Prior to any development occurring at the project site, a Development Plan shall be submitted for review and approval by the Planning Director, and a Notice of Development Plan shall be recorded on all properties where the interim use permit will be located. The Development Plan shall identify the term and all other applicable development restrictions that apply to the interim use, including the plan for restoring the project site to pre-project condition, or to a condition that would preserve or enhance the project site for future coastal-dependent industrial use (**Condition A.11**).

Performance Standards of the Coastal Zone:

The project is required to meet the performance standards that are described in section 313-103.1 of the HCC. The site is more than 1,000 feet from any residences or residentially zoned parcels, and is therefore required to adhere to the performance standards for Industrial Development that Impact Nonresidential Zones per section 313-103.1.4 of HCC.

*Noise:*

The project is required to ensure that mitigation measures are in place where necessary to ensure that noise generated by operations does not exceed 70 decibels anywhere off the site. The applicant has submitted a Noise Report prepared by Northpoint Consulting Group, dated September 2021. The Noise Report states that ambient noise levels were taken for twenty-four hours at three locations on the property lines. Results showed that ambient noise levels ranged between 45 decibels and 88 decibels. The project incorporates the following noise mitigation measures: all indoor cultivation with HVAC systems and fans will be conducted within interior modular structures inside of the proposed warehouse, each of the fans will be equipped with a variable speed controller for precise adjustments, and components of proposed buildings/facilities have appropriate Sound Transmission Class (STC) ratings to reduce noise to 50 decibels maximum at property lines. Noise levels produced by the project at the three monitoring locations is expected to be below 50 decibels. Per section 313-55.4.12.6 of the CCCLUO, noise from the project shall not result in an increase of more than three (3) decibels of continuous noise above ambient noise levels at any property line of the site. The average for the ambient noise levels resulting from the three (3) measurements taken at the property lines is 64 decibels, and the project shall not result in noise levels above 70 decibels anywhere off the site (**Ongoing Condition B.8**).

There are no light or traffic restrictions for Industrial Development that Impact Nonresidential Zones. No perceptible vibrations shall be permitted off the building site, and no visual or audible interference of radio or television reception by operations shall occur (**Ongoing Condition B.9**).

Compliance with the Humboldt Bay Area Plan:

The project site is located within the Coastal Zone, specifically within locally maintained jurisdiction of the Humboldt County Planning Department, appealable by the California Coastal Commission. Project location falls under the Local Coastal Plan the Humboldt Bay Area Plan. The proposed development is in conformance with the applicable policies set forth in the HBAP as the site is designated Industrial, Coastal Dependent (MC) and Industrial, General - Coastal Areas (MG) under the HBAP. All development will occur within the MC designation.

The project site is consistent with the HBAP because it is in close proximity to existing developed areas able to accommodate it, and the proposed development is not sited in a wetland. The project will be permitted as an

interim conditional use, there is no immediate need for coastal-dependent uses at the site, and approval of the project will allow for greater use of the underutilized MC zoned lands. The proposed project will not have an impact to coastal-dependent industrial uses and other priority uses, as the recommended interim permit timeframe is in line with the potential timeframe for development of the Harbor District's offshore wind Master Plan. Approval of the project will allow necessary improvements to be made to the site, which could enhance or increase the utility of the site for future coastal-dependent industrial uses and other priority uses. The project will have an interim period approved at the discretion of the Hearing Officer.

*Hazards:*

The proposed project is located within a tsunami evacuation area, and the applicant has provided a Tsunami Hazard Assessment (THA) prepared by Northpoint Consulting Group, dated July 7, 2022. The THA states that the proposed building will be a Risk Category II/Tsunami Risk Category II structure per ASCE 7-16 design standards. These structures are not required to be designed for tsunami loads unless required by state or locally adopted building code, and the applicant is required to permit the proposed warehouse structure with the local Building Division. The exception to tsunami design does not mitigate the requirement for a Tsunami Evacuation Plan for the employees at the site. The THA does incorporate a Tsunami Evacuation Plan, and all employees shall undergo training and be made aware of the Tsunami Evacuation Plan (**Ongoing Condition B.10**).

The project site is located outside of a Flood-Zone, an Area of Potential Liquefaction, or the Sea Level Rise area of 1.0 meter according to the Humboldt County Web GIS. The site is designated to have a Moderate Instability rating. As well, the project site is located within the Peninsula Community Services District for local fire response.

*Biological Resources:*

The project site and all proposed development is within a pre-disturbed area with no existing vegetation. There are mapped wetlands from the National Wetland Inventory that are located across from Vance Avenue on the subject parcel. There are no watercourses located on the subject property. A review of the California Natural Diversity Database (CDDNB) indicates that the property has potential habitat for western snowy plover, yellow rail and beach layia. The applicant obtained a Biological Assessment Report (BAR) prepared by Wildlife Biologists Jack Henry and Nicole Bogle, with Timberland Resources Consultants, dated July 13, 2021. The BAR mentions that there are areas on the site that are considered Urban habitat which include two (2) areas containing vegetation, and are considered to be non-ESHA (Environmentally Sensitive Habitat Areas). These two areas are considered to be degraded dune that are surrounded by paved roads and surfaces, and lack value from potential restoration. This determination is in line with other assessments of the area for other Coastal-Dependent Permits, and with the overall assessment and Master Plan for the Samoa Peninsula. The closest mapped potential wetland feature is over 250 feet from the Project Area, and no potential wetland indicators were observed within 200 feet of the project area. The BAR states that the project area meets all applicable setbacks and recommends the following: that the project prevent any light escaping lit structures during dark hours (**Ongoing Condition B.11**), that the applicant obtain a Floristic Survey for the proposed development, and that the applicant educate and remain vigilant for encroachment of invasive species (**Ongoing Condition B.12**). The project was referred to the California Department of Fish & Wildlife (CDFW) on September 28, 2021, and no comments were received.

The applicant has obtained a Floristic Survey Report (FSR) to assess the proposed development area, which was prepared by Wildlife Biologist Jack Henry with Timberland Resource Consultants, dated January 2022. The purpose of the floristic survey was to identify any special status plants and ESHA within the project area that could be impacted by proposed development. The survey found no special status plants, and the FSR does identify ESHAs within the Project Parcel, but none occur within 100 feet of the project area. The small

vegetated area between Vance Avenue and the project area contains a combination of non-native ruderal species, ornamental species, and native wax myrtle. From review of aerial imagery, the area is shown to be devoid of vegetation during initial development of the mill site, and was planted with ornamental shrubs. At some point after initial development this areas was populated by wax myrtle and other non-native grasses that are now present. As the area is dominated by non-natives, is relatively small in size, and provides low ecological value, the FSR found this area not to qualify as an ESHA.

The project was referred to the California Coastal Commission on September 28, 2021, and comments from the agency referenced findings within the BAR, which mention the potential habitat for bats within existing structures, and the potential for northern red-legged frog. The Coastal Commission requested that conditions be applied to the project for the protection of nesting bats pursuant to IP policy 55.4.12.1.10 (j) special status bats, and for the protection of northern red-legged frog pursuant to IP Policy 55.4.12.1.10 (b) special status amphibians. Before commencing any new development related to cannabis activities, a qualified biologist shall conduct surveys for roosting bats. If evidence of bat use is observed, the species and number of bats using the roost shall be determined. Bat detectors may be used to supplement survey efforts. If no evidence of roosts is found, then no further study will be required. If bats are found in the surveys, a mitigation plan addressing mitigation for the specific occurrence shall be submitted to the Planning Director and CDFW by a qualified biologist subject to the review and approval of the Planning Director in consultation with CDFW. At a minimum, the mitigation plan shall establish a 400-foot buffer area around the nest during hibernation or while females in maternity colonies are nursing young (**Condition A.12**). As well, the applicant shall have a qualified biologist conduct a preconstruction survey of new development activities no more than 48 hours prior to such development activities, for northern red-legged frogs. Preconstruction surveys shall be conducted throughout the proposed construction area and a 400-foot buffer around the proposed development area, and shall be conducted within the appropriate season to maximize potential for observation of the species. If no special-status species are detected, then no further mitigation is required (**Condition A.13**).

*Visual Resources:*

The project site is located adjacent and east of New Navy Base Road in Fairhaven. As the coastal scenic view area is directed west from New Navy Base Road, the project is not located within the Coastal Scenic View Area. The site is already developed with three (3) existing structures that were associated with the former pulp mill. One of the existing structures is the chip silo, which is not a part of the proposed uses for the project, and has an existing height of approximately 80 feet. The other two (2) existing structures, which are a part of the proposed project, have heights of approximately 33.5 feet and 18.25 feet. The proposed modular structures will have an approximate height of 9.5 feet, and the warehouse structure will have a maximum height of 48 feet, which is lower than the allowed building height of 50 feet to a maximum of 75 feet in the MC zone. All other proposed structures would be lower in elevation, and would not likely obstruct any view from New Navy Base Road looking east. As the site is already developed with structures over 75 feet in height, the addition of the proposed warehouse and other structures would not change the overall character of the site. As well, the project is not located near any residences or residentially zoned areas.

*Traffic:*

The site is accessed off of County maintained Vance Avenue, from County maintained New Navy Base Road. The project was referred to the Department of Public Works, and comments from Public Works included a recommendation of approval for the project. The site will utilize up to 40 employees during full operations. There will also be occasional deliveries from the site, and there are no traffic restrictions for the MC zoned parcel.

Performance Standards of the CCCLUO:

The proposed project is located in a non-forested area with slopes of less-than 15%. Water will be obtained from a public municipal water source, power will be accessed by PG&E and will be 100% renewable. The site does not contain prime agricultural soils, and there is no requirement for planting within the native soils. The project is located more than 600 feet from a church or other place of religious worship, public park, coastal public access, commercial recreational facility, tribal cultural resource, school or school bus stop, or any other designated recreational facilities. As well, the project is located more than 1,000 feet to a tribal ceremonial site, residence or residentially zoned area, or boundary of a Community Planning Area specified under section 55.4.5.1.4 of the CCCLUO. All commercial cannabis activities will occur at least 100 feet from any recognized Environmentally Sensitive Habitat Area (ESHA) or wetland. The project is located off of a county maintained road that is determined to be a Category 4 road. Volatile and non-volatile manufacturing activities will occur within proposed commercial structures and are required to meet applicable building code (**Condition A.7 Above**).

The project site is a small portion of a larger historic industrial site that formerly contained a pulp mill. Prior to the pulp mill, the site contained a lumber mill complex which constructed and utilized a main office building, and a personnel office building, both of which the project is proposing to utilize for cannabis activities. There is also a chip silo on-site which was used in association with the former pulp mill, but this structure is not proposed to be used in association with the cannabis project. There have been several Phase 1 Environmental Site Assessments (ESA) prepared for the historic pulp mill site to evaluate and identify any presence of potential hazardous materials. The most recent Phase 1 ESA was prepared by Freshwater Environmental Services (FES), dated November 22, 2022, which is the most specific ESA to address the North Wind Management proposed project area. As the chip silo is not a part of the proposed project, it and an approximately 5-foot buffer around it was not included in the ESA prepared by FES. The FES Phase I ESA concluded that the assessment did not reveal any presence of any recognized environmental conditions within the proposed cannabis project area or on the subject property, and a Phase II ESA was deemed unnecessary for the project.

*Adaptive Reuse of Industrial Sites:*

The project is proposing to utilize some of the existing facilities on-site. The existing two-story structure is proposed for office spaces and distribution activities. The second story of the existing two-story structure will not be utilized for cannabis activities, and may be leased out as office spaces in the future. A secondary existing structure will be utilized for off-site processing, packaging and infusion activities to make pre-rolls. This one-story existing structure will be fully utilized for the proposed activities. Some minor improvements will be made to the existing structures, which will not prevent any future re-occupancy. The existing Chip Silo on-site will not be a part of the project or used for cannabis activities, and will be fenced off for safety purposes.

The project is proposing to have a new commercial warehouse structure constructed on-site for indoor cultivation activities, with ancillary nursery and ancillary processing. The warehouse structure will meet the requirements for coastal-dependent industrial development regulations, and the project proposal includes the use of modular structures within the warehouse, which would be removed after cannabis activities cease on the site.

*Energy:*

100% renewable power will be sourced from PG&E's REPower+ plan through an existing service/substation, and a PG&E service upgrade is proposed. The applicant is required to provide documentation demonstrating adequate electricity is available to the project site, to the satisfaction of the Planning Director, prior to the issuance of building permits or initiation of any actives requiring the use of electricity (**Condition A.5 Above**). The applicant shall show proof of enrollment in a 100% renewable energy program provided by PG&E, prior to



commencing project activities on-site (**Condition A.14**). As well, the applicant shall obtain the PG&E power upgrade prior to commencing indoor cultivation activities on-site, and shall provide documentation demonstrating adequate electricity is available to the project site, to the satisfaction of the Planning Director (**Condition A.15**).

*Water Resources:*

Hydroponic cultivation techniques will be utilized with very little use of imported soils and minimal use of water. Water will be sourced by the Humboldt Bay Municipal Water District (HBMWD). A total of 384,000 gallons of water is anticipated to be used annually at the site; 360,000 gallons of that water is anticipated for cultivation activities (7.5gal/sf/yr), and 24,000 gallons is anticipated to be used for manufacturing and processing activities. The applicant has received an intent for a Will-Serve letter from the HBMWD, dated December 21, 2022, which states that the agency can provide assurance that the water district is able to supply the annual water needs for the project, of 384,000 gallons annually, through the domestic water transmission lines to the Harbor District's domestic water six-inch meter.

The project was referred to the HBMWD on September 28, 2021, and initial comments were received on October 13, 2021. Comments from the HBMWD stated that the agency did not receive a "Will-Serve" request from the applicant, that the District does not currently have a domestic water distribution line that serves the subject parcel, and requested that the following conditions be met by the applicant: (1) meet the District to determine the full buildout demand for domestic water required by the Applicant; (2) in consultation with HBMWD, determine where the appropriate sized water meter and distribution line extension that should be located and installed to provide water to the project; (3) the ultimate water service configuration be acceptable to HBMWD via written confirmation by the district to the Planning Department prior to development/construction of the project. The project was also referred to the Harbor District, as the site is serviced water through an existing private water infrastructure owned by the Harbor District. Comments received from the Harbor District on October 13, 2021, concurred with the recommendations of the HBMWD, requested that the project be conditioned on having its own water connection directly from the HBMWD, and that they disconnect from the former pulp mill water service.

Additional comments were received from the HBMWD on August 15, 2022, as supplemental comments to the original letter dated October 13, 2021. The supplemental comments from the HBMWD came after meetings were conducted with the applicant and the Harbor District, and included that because the Harbor District is under legal recorded obligation to provide water to the applicants parcel, a new recommendation was made as an interim solution, that a new retail water meter and fire suppression supply meter be installed on the applicant's parcel in a location that is suitable to the applicant that intercepts these two water supply lines currently servicing the parcel. HBMWD would then be granted ingress and egress by the Harbor District to enter through their property to read said meters and bill the applicant accordingly for its water use, and would provide a billing water use offset on the Harbor District's water bill for the corresponding number of those gallons metered to the applicant (**Condition A.16**). The longer-term solution can be either: install a lateral water line replacing the existing Harbor District supply line from the newly installed meter on the applicant's parcel to the new distribution grid line that will be installed as part of the Nordic Aquafarms project, or the applicant could request a direct connection to HBMWD's transmission line located to the west of the applicant's parcel. The applicant has chosen to go with the first option of tying into the new distribution line associated with the Nordic Aquafarms project, when available.

The applicant is not currently enrolled in the State Water Resources Quality Control Boards (SWRQCB) General Order WQ 2019-001-DWQ. As the cultivation activities are for a fully enclosed indoor facility with a water source from the HBMWD, the project may qualify for a Conditional Exemption with the SWRQCB

General Order. The applicant is conditioned to obtain proof of Conditional Exemption from the SWRQCB, and submit to the Planning Division, prior to commencing cultivation activities on-site (**Condition A.17**). The applicant shall also obtain a Site Management Plan or shall submit to the Planning Division, proof from that one is not required by the SWRQCB (**Condition A.18**).

*Biological Resources:*

See Biological Resources above under section: Compliance with the Humboldt Bay Area Plan.

*Noise:*

See Noise above under section: Performance Standards of the Coastal Zone.

*Tribal Cultural Resource Coordination:*

The project site is located within the Bear River Band Tribe, the Wiyot Tribe, and the Blue Lake Rancheria tribal aboriginal territories. The applicant has obtained a Cultural Resource Study (CRS) for the proposed project area, which was prepared by William Rich, M.A., RPA, with William Rich and Associates, dated September 2021. The CRS found that no significant archaeological or historic-period cultural resources were identified in the limits of the project area, and no additional archaeological studies were recommended. However, the CRS included the recommendation of Inadvertent Discovery Protocols for the project (**Informational Note 2**). The project was referred to the Northwest Information Center (NWIC), the Bear River Band Tribe, the Wiyot Tribe, and the Blue Lake Rancheria on September 28, 2021. Comments from the Bear River Band tribe was received on October 8, 2021, requesting Inadvertent Discovery Protocols.

*Access:*

See Traffic above under section: Compliance with the Humboldt Bay Area Plan.

*Consistency with Caps on Permits:*

Approval of this project is consistent with the CCCLUO, which established a limit on the number of permits and acres which may be approved in each of the six Local Coastal Plan Areas. The project site is in the Humboldt Bay Area Plan, which under the CCCLUO is limited to 38 permits and 13 acres of cultivation. However, since the project will receive water from the Humboldt Bay Municipal Water District, and has obtained an intent for a Will-Serve letter from the HBMWD, the project is exempt from the caps on permits.

**OTHER AGENCY INVOLVEMENT:**

The project was referred to responsible agencies and most responding agencies have either responded with no comment or recommended approval or conditional approval. The project was referred to the Northern Humboldt Union School District (NHUSD), but the project is located outside of their jurisdiction. The NHUSD responded with a recommendation of denial due to cannabis being a federally illegal substance, and there are no existing school bus stops within 600 feet of the project. The project was also referred to the Humboldt County Sheriff, and comments were received with a recommendation of denial due to the existing record of a felony (Felony HS 11359) for the applicant. The felony charges are associated to the applicant and not to the project or the site, and do not affect the ability of the project to meet the required development standards. . (Attachment 5)

**ALTERNATIVES TO STAFF RECOMMENDATIONS:**

1. The Planning Commission could elect not to approve the project, or to require the applicant to submit further evidence, or modify the project. If modifications may cause potentially significant impacts, additional CEQA analysis and findings may be required. These alternatives could be implemented if the

Commission is unable to make all of the required findings. Planning staff has stated that the required findings in support of the proposal have been made. Consequently, Planning staff does not recommend further consideration of any alternative.

2. The Planning Commission could also decide the project may have environmental impacts that would require further environmental review pursuant to CEQA. Staff did not identify any potential impacts. As the lead agency, the Department has determined that the project is consistent with the EIR for the CCLUO as stated above. However, the Commission may reach a different conclusion. In that case, the Commission should continue the item to a future date at least 2 months later to give staff the time to complete further environmental review.

**ATTACHMENTS:**

1. Draft Resolution
  - A. Conditions of Approval
  - B. Cultivation Operations Plan
  - C. Site Plan
2. Location Maps
3. CEQA Addendum
4. Applicant's Evidence in Support of the Required Findings
  - A. Noise Source Assessment and Mitigation Plan
  - B. Biological Assessment
  - C. Floristic Survey
  - D. Interim Uses in the Coastal Zone Compliance Report
  - E. Tsunami Hazard Assessment
  - F. Plan for Adaptive Reuse of Developed Industrial Site
  - G. Phase I Environmental Site Assessment Report
  - H. Existing & Proposed Building Heights
5. Referral Agency Comments and Recommendations
  - A. Building Division Referral Comments
  - B. Department of Environmental Health Referral Comments 10/21/2021
  - C. Department of Environmental Health Referral Comments 1/31/2023
  - D. Department of Public Works Referral Comments
  - E. Humboldt Bay Municipal Water District Referral Comments 10/13/2021
  - F. Humboldt Bay Municipal Water District Referral Comments 8/15/2022
  - G. Humboldt Bay Municipal Water District Intent for Will-Serve Letter 12/21/2022
  - H. Humboldt Bay Harbor District Referral Comments 10/13/2021
  - I. Humboldt Bay Harbor District Referral Comments 1/6/2022
  - J. Humboldt Bay Harbor District Referral Comments 8/25/2022
  - K. Humboldt Bay Harbor District Referral Comments 2/13/2023
  - L. Humboldt Bay Harbor District Referral Comments 2/21/2023
  - M. Coastal Commission Referral Comments 1/7/2022
  - N. Coastal Commission Referral Comments 12/5/2022
  - O. Humboldt County Sheriff Department Referral Comments
  - P. Northern Humboldt Unified School District Referral Comments

Applicant

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