



air pollution control district
SANTA BARBARA COUNTY

June 9, 2021

Greg Stones
City of Lompoc
Planning Division
100 Civic Center Plaza
Lompoc, CA 934326

Re: Santa Barbara County Air Pollution Control District Comments on the Draft Mitigated Negative Declaration for Mustang Lompoc Investors Cannabis Facility Project

Dear Greg Stones:

The Santa Barbara County Air Pollution Control District (District) has reviewed the Draft Mitigated Negative Declaration (MND) for the referenced project, which consists of the construction of a 68,126 square foot (SF) cannabis cultivation, harvesting, processing, and manufacturing facility on vacant property. The project includes 8,617 SF of office area, 38,545 SF of growing area, and 20,964 SF of processing/extraction space. A 2,604 SF extraction room with use of volatile and non-volatile solvents is proposed. Growing operations would require approximately 18 tons of compressed CO₂ input per year. The odor abatement plan consists of the use of recirculation ventilation systems with the CosaTron technology aggregation system and air filters within the building. Points of exhaust will be treated with FogCo/Benzaco vapor phase technology. There will be 61 parking spaces and a loading zone. The facility will not be open or sell to the public. An 800 kilowatt (approximately 1,073 brake horsepower) diesel-powered emergency back-up generator is also proposed. A specific tenant has not been identified at this time. The subject property, three parcels totaling 3.01 acres, are zoned Business Park, and identified in the Assessor Parcel Map Book as APNs 093-450-018, -019, and -020. The project is located at 1501 North O Street, 801 Cordoba Avenue, and 805 Cordoba Avenue in the City of Lompoc.

Based on the project description and information that has been provided, the proposed project includes equipment and operations subject to District permit requirements and prohibitory rules. **Therefore, the District will be a responsible agency under the California Environmental Quality Act (CEQA), and will rely on the City's CEQA determination when evaluating District permits for proposed equipment.** The environmental document should include the air pollutant emissions for all proposed equipment, including Reactive Organic Compound (ROC) emissions from manufacturing operations, to avoid additional CEQA documentation requirements related to District permit issuance. In addition, the environmental document should include an accurate assessment of the potential health risks from the proposed backup generator engine to ensure that project-related equipment will not result in a significant impact.

In order for the MND prepared by the City of Lompoc to be deemed adequate for the District's use as a Responsible Agency under CEQA, the following comments must be addressed:

- 1. Environmental Checklist, Section 3 Air Quality, Methodology, Impact "b", & Table 5 Project Operational Emissions, Page 21-23:**

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- a. The MND should describe the project's use of solvents including specific solvent types that will be used for manufacturing operations (including but not limited to solvents used for extraction, winterization, and wipe cleaning). For each solvent type, include the chemical components, physical properties, percent ROCs, and the maximum amounts of solvent usage on a daily and annual basis (gallons per day and gallons per year. The impact evaluation must quantify the air pollutant emissions (including ROCs) as a result of solvent usage, include the impacts as a result of solvent usage, determine the significance of those impacts and, if necessary, provide mitigation for any significant impacts.
 - b. The MND states "*stationary source emissions include emissions from testing of the anticipated backup generator, which is assumed to be tested for 15 minutes every two weeks.*" The maximum daily emissions for the proposed diesel emergency generator should be based on usage of two hours per day, which is the maximum allowable usage permitted by the District for maintenance and testing. Revise the daily emissions from the emergency generator in *Table 5 Project Operational Emissions* to reflect two hours of daily use.
 - c. Please specify if the project is proposing any combustion equipment such as gas-fired heaters or large boilers and indicate whether the energy consumption from these units is included in the project-specific natural gas usage rate. If this type of combustion equipment is proposed, please update the air quality impact analysis to include a description of the equipment, operating parameters, and a quantification of the criteria pollutants and greenhouse gas emissions from this combustion equipment.
2. **Environmental Checklist, Section 3 Air Quality Methodology, Impact "b", Table 5 Project Operational Emissions, Page 21-23 and Section 8 Greenhouse Gas Emissions, Table 9 Combined Annual Emissions of Greenhouse Gases, Page 45:** The MND states that the natural gas usage of the project will be 52,741,591 kBtu per year. However, the energy usage in CalEEMod is currently based on a default natural gas usage rate. The CalEEMod analysis and resultant criteria pollutant and greenhouse gas emission estimates cited in the MND should be updated based on the project-specific energy usage rate.
 3. **Environmental Checklist, Section 3 Air Quality, Impact "c", Page 23-24:** The impact discussion should include an evaluation of toxic air contaminant emissions and the potential for health risk impacts to surrounding sensitive receptors due to operation of the proposed diesel emergency generator. Impacts should be compared to a CEQA significance threshold. For example, the District's adopted health risk threshold involves examining whether the project will have a significant impact on air quality by "*exceed[ing] the SBCAPCD health risk public notification thresholds adopted by the SBCAPCD (10 excess cancer cases in a million for cancer risk and a Hazard Index of more than 1.0 for non-cancer risk).*" Substantial evidence in support of the significance finding should be included in the document. For more information on air toxics from diesel engines (including health risk assessment screenings), see www.ourair.org/dice-atcm. Note that for District permit issuance, the applicant will need to demonstrate that the project's health risk is below the District's significance threshold. The District will not issue a permit if a significant impact will occur.

- 4. Environmental Checklist, Section 8 Greenhouse Gas Emissions, Table 9 Combined Annual Emissions of Greenhouse Gas Emissions, Page 45:** Please include the greenhouse gas emissions due to testing and maintenance of the emergency diesel generator in this analysis.

In addition, District staff suggest the following corrections be made to the Draft MND:

- 1. Environmental Checklist, Section 3 Air Quality, Construction, Page 22:** This discussion states that “SBCAPCD has established construction thresholds for ROC and NOx because of its recent designation of nonattainment-transitional for ozone under the California Clean Air Act.” This statement is inaccurate. The District does not have adopted CEQA thresholds for construction emissions. Please correct the discussion and reference in *Table 4 Project Construction Emissions*
- 2. Environmental Checklist, Section 3 Air Quality, Construction, Page 22:** This section states that construction of the proposed project would occur over approximately two years but the construction impacts in the CalEEMod analysis are modeled with a nine-month timeframe. Please clarify the correct length of time for construction and update the document and/or CalEEMod analysis if necessary.
- 3. Environmental Checklist, Section 8 Greenhouse Gas Emissions, Methodology, Page 42:** The analysis should be revised to use current energy intensity factors for the utility provider. The 2018 energy intensity factors for PG&E (used in the latest version of CalEEMod, version 2020.4) are 203.983 lbs CO₂/MWhr, 0.033 lbs CH₄/MWhr and 0.004 lbs N₂O/MWhr.
- 4. Environmental Checklist, Section 8 Greenhouse Gas Emissions, Mitigation Measure GHG-1 GHG Emissions Reduction Plan, Pages 45-47:** If the GHG Emissions Reduction Plan (GGRP) option is chosen, it should include requirements that ensure the ongoing monitoring, reporting, and enforcement of the GHG reduction commitments detailed in the GGRP for the life of the project. Monitoring, reporting, and enforcement of the GGRP should be made a condition of approval for the project.

Lastly, the applicant is advised of the following additional regulatory requirements or analysis that may be applicable to the project during the District permitting process:

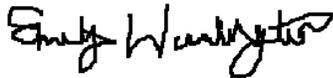
- 1. Health Risk from Deodorizing Systems:** Any chemical used for deodorizing systems should not cause adverse impacts to the community. Low-VOC (volatile organic compound) or no-VOC compounds are recommended, as well as compounds that do not contain toxic air contaminants (TACs) as identified by the State of California. The comprehensive list of TACs can be found at www.arb.ca.gov/toxics/healthval/contable.pdf. If odor control systems use chemicals that contain TACs, the City should assess the potential for health risk by performing a refined Health Risk Assessment.
- 2. New Source Review:** The District will evaluate the emissions from the project to determine which New Source Review requirements will apply.
- 3. Best Available Control Technology:** Based on the information provided for review, it appears that the proposed project may trigger the District’s threshold for requiring implementation of Best Available Control Technology (BACT) for ROC emissions. If ROC emissions from the project exceed the BACT threshold of 25 pounds per day, then the applicant should propose emission controls that represent BACT for their processes. The applicant should refer to District Rule 802

at www.ourair.org/wp-content/uploads/rule802.pdf for more information on New Source Review and BACT requirements.

4. **Health Risk Assessment:** As part of District permit issuance, an evaluation of health risk will be required to demonstrate that the operation of project-related equipment does not cause a significant risk to the surrounding community and nearby sensitive receptors. Whenever a Health Risk Assessment (HRA) analysis is required, we recommend including the results in the environmental document to ensure that project-related equipment will not result in a significant impact. **The District will not issue a permit if an HRA shows that a significant impact will occur.** For District permit issuance, the applicant will need to demonstrate that the project's health risk is below the significance thresholds.
5. **Permit Timing:** The District permit process can take several months. To avoid delay, the applicant is encouraged to submit their Authority to Construct permit application to the District as soon as possible, see www.ourair.org/permit-applications to download the necessary permit application(s).

If you or the project applicant have any questions regarding these comments, please feel free to contact me at (805) 961-8878 or via email at WaddingtonE@sbcapcd.org.

Sincerely,



Emily Waddington
Air Quality Specialist
Planning Division

cc: David Harris, Engineering Division Manager [email only]
William Sarraf, Engineering Division Supervisor [email only]
Planning Chron File