

August 7, 2018

Brianna Wiley
Santa Barbara County
Planning and Development
123 E. Anapamu Street
Santa Barbara, CA 93101

Re: APCD Incompleteness Items on Phoenix Investments LLC-Cannabis, 18CUP-00000-000019, 18DVP-00000-00006

Dear Ms. Wiley:

The Air Pollution Control District (APCD) has reviewed the referenced project, which consists of the development of approximately seven acres of licensed cannabis cultivation. Proposed development includes the construction of two greenhouse structures that are each 2,880 square feet. All cannabis cultivation is planned to occur in hoop house structures. All operational facilities are housed in modified 40' cube shipping containers, or temporary mobile trailers. The project site is served by an existing water well. The project includes the drilling of a second water well on the property to supply future additional water requirements. The property is accessed by a dirt road. No pavement of roads is proposed. Required grading for the project is estimated at 7,926 cubic yards of cut and 7,740 cubic yards of fill; however, this grading has already occurred under an erosion control permit. The subject property, a 810-acre parcel zoned AGI-40 and identified in the Assessor Parcel Map Book as APN 131-090-076, is located at 1670 Tepusquet Road in the unincorporated Santa Maria area.

APCD finds the application to be incomplete and requires more information about the proposed project to determine potential air quality impacts, appropriate permit conditions for the proposed land use, and applicability of APCD permit requirements, prohibitory rules, and other regulatory programs such as the state's Distributed Generation Program¹.

Please provide responses to the following items:

1. Please provide a detailed description of the purpose and uses of all of the existing and proposed development and structures on the property, including the greenhouse structures, hoop house structures, shipping containers, and mobile trailers. The current description states that all cannabis cultivation will occur in the hoop house structures, which are presented as different and separate structures from the two greenhouse structures. What is the purpose and use of the greenhouse structures?
2. Please describe the electrical infrastructure on the property. Include a description of how power will be supplied to meet the electrical needs of all of the existing and proposed land uses and structures that are described in response to question 1 above.

¹ www.arb.ca.gov/energy/dg/dg.htm

3. Please describe any existing or proposed combustion equipment that will be installed and/or operated onsite to support the proposed project. This could include large water heaters, boilers, and engines to supply power to equipment, water well drilling, facilities, or operations (such as power to structures, water pumps, electric power generators). For all existing and proposed combustion equipment, provide the sizing such as Btu rating or horsepower, fuel type, and manufacturer specifications.
4. An air quality and greenhouse gas analysis should be prepared for the project. The analysis should quantify emissions of all air pollutants from all potential emission sources associated with the proposed project, including but not limited to, emissions from mobile sources (vehicle exhaust and fugitive dust from vehicle travel on unpaved roads), permitted and unpermitted combustion equipment, indirect greenhouse gas emissions from electricity use, water use, waste disposal, etc.
5. It is our understanding that an Odor Abatement Plan is required for this project. Please provide an Odor Abatement Plan that describes how the project will comply with the requirements of the County's Cannabis Regulations, Section C.6. Include a detailed description of any proposed odor controls or techniques for abatement of odors.
6. Please state whether any processing of cannabis is proposed onsite, and if so, describe in detail the processes, equipment, and the end-product.

Once the necessary information is provided and reviewed for completeness, the APCD will submit a departmental condition letter for the project. Please ensure that all applicable APCD conditions are included with the Conditions of Approval for the project.

APCD staff has the following initial advisories on the project:

1. **CEQA Requirements/Environmental Analysis:** If the proposed project involves the installation and operation of equipment that would require an air district permit (e.g., for a boiler, engines for power generation, engines for water pumping, et cetera), then the APCD would be acting as a Responsible Agency under the California Environmental Quality Act (CEQA) and would rely on the project's environmental analysis when evaluating any APCD permits for proposed equipment. However, the project description does not contain enough information for APCD staff to determine whether this project will require any APCD permits and thus, whether the APCD is a Responsible Agency for this project.

If an APCD permit is required for any project equipment or operations, the project's environmental analysis should include the air pollutant emissions for all proposed equipment and activities to avoid additional CEQA documentation requirements related to APCD permit issuance.

2. **Odor abatement:** This project has the potential to cause odor impacts because of the nature of the operation. The applicant should design the project to minimize the potential for odor generation and public nuisance complaints through controls or abatement techniques, and comply with the requirements of the County's Cannabis Regulations, Section C.6.

3. **New Source Review:** If an APCD permit is required for any project equipment or operations, the APCD will evaluate the emissions from the project to determine whether any New Source Review requirements will apply.
4. **Health Risk:** If an APCD permit is required for any project equipment or operations and the project has the potential to emit toxic or hazardous air pollutants, as part of APCD permit issuance, the project may be required to prepare a Health Risk Assessment to determine the potential level of risk associated with proposed operations.
5. **Permit Timing:** The APCD permit process can take several months. If an APCD permit is required for the project, the applicant is encouraged to submit their Authority to Construct permit application to the APCD 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) 961-8890 or via email at BarhamC@sbcapcd.org.

Sincerely,



Carly Barham
Planning Division

cc: Bruce W. Watkins
Michael Goldman, Manager, Engineering Division
Kaitlin McNally, Manager, Compliance Division
Chron File