

**Draft Initial Study and
Mitigated Negative Declaration**

AB Holdings L.L.C.
Medical Marijuana Cultivation Center

Prepared for:

City of Desert Hot Springs
65950 Pierson Boulevard
Desert Hot Springs, California 92240



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CHAPTER ONE – INTRODUCTION

1.1 Purpose and Authority

This is the Initial Study and Mitigated Negative Declaration prepared for the development of the AB Holdings L.L.C. Medical Marijuana Cultivation Center. The document is in accordance with the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et. seq. The City of Desert Hot Springs will serve as the lead agency pursuant to CEQA.

1.2 Determination

This Initial Study determined that development of the proposed project would not have a significant impact on the environment, with the implementation of mitigation measures. A Mitigated Negative Declaration is proposed.

1.3 California Environmental Quality Act (CEQA) Authority to Prepare a Mitigated Negative Declaration

This Draft Mitigated Negative Declaration (DMND) has been prepared by the City of Desert Hot Springs as lead agency and is in conformance with Section 15070, Subsection (a), of the State of California Guidelines for Implementation of the CEQA.

The main purpose of the Initial Study and DMND was to determine whether there were potentially significant impacts associated with development of the proposed cultivation center in the City of Desert Hot Springs.

1.4 Public Review Process

In accordance with CEQA, a good faith effort has been made during the preparation of this DMND to contact affected agencies, organizations and persons who may have an interest in this project. The DMND has been sent to the Riverside County Clerk, responsible agencies, and advertised in The Desert Sun.



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CHAPTER TWO – PROJECT DESCRIPTION

2.1 Project Vicinity

Total Project Area: 2.52 acres (108,900 S.F.)

Assessor's Parcel Number: 663-280-002

The project site is located approximately 350 feet east of Little Morongo Road, along the north side of Thomas Avenue (unimproved), in the City of Desert Hot Springs, California. The site is currently undeveloped natural desert land. Lands immediately to the north, east, and south are currently undeveloped. Allen Fence Construction is located just west of the site.

The location of the project site is shown below, in Exhibit 2 and 3.



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2.2 Project Description

The applicant proposes development of a cultivation center for medical marijuana on 2.52 acres located east of Little Morongo Road and north of Thomas Avenue in the City of Desert Hot Springs, California (Assessor's Parcel No. 663-280-002). At build out, the project will consist of two buildings/warehouses housing greenhouses, office space, storage and ancillary space which will total 63,000 square feet. The building footprint will total approximately 54,000 square feet. An 8 foot high wrought iron fence, with automated gates at each driveway, is proposed to surround the site.

The project will be constructed in two phases. Phase 1 consists of one building of approximately 34,000 square feet, located at the northern end of the site, and encompassing a two story front office area and five greenhouses. Phase 2 consists of a building of approximately 29,000 square feet, located at the southern end of the site, and encompassing a two story front office area and four greenhouses.

Each building will include cultivation areas, processing areas, office, shipping, and storage rooms. A second floor mezzanine is proposed on the western end of each building to house extraction facilities. The site is configured to provide parking and landscaping improvements for each phase, as development occurs (Exhibit 4 and 5).

The applicant is proposing to include a Butane Extraction Room in the facility. The extraction process uses liquid butane to extract cannabinoids from plant material to create an oil. Butane is a highly flammable substance which must be isolated and handled under specific conditions.

Access to the site will be provided from Thomas Avenue. A total of 2 driveway access points are proposed, one on southeast and the other one on southwest, which will provide access to the parking area. Parking areas will be provided on the western side of the property immediately adjacent to the west property line. An interior driveway will provide access to all sides of the site.

The proposed project will require review and approval of a Conditional Use Permit and Development Agreement. This Initial Study considers these permits and the impact of build out of the project.

The project site plan is shown below, in Exhibit 4.



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2.3 Mitigation Monitoring Program

Mitigation measures are included within each section of the initial study checklist and are provided below. Table 2-1: Mitigation Monitoring Program outlines the potential impacts and mitigation measures of the proposed project, and assigns responsibility for the oversight of each mitigation measure. This Table shall be included in all bid documents and included as a part of the project development.



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**Table 2-1
Mitigation Monitoring Program**

Section Number	Mitigation Measures	Responsible for Monitoring	Timing	Impact after Mitigation
IV. Biological Resources	<p>IV.1. A pre-construction burrowing owl survey shall be conducted to CDFW protocol prior to the issuance of any ground disturbing activity on the site. A report of findings shall be provided to the City prior to the initiation of ground disturbing activities.</p> <p>IV.2. Any ground disturbance (grubbing, grading or excavation) proposed for the period from January 15 to July 31 shall be preceded by a nesting bird survey performed by a qualified biologist. The biologist shall perform the survey within 30 days of the initiation of activities, and provide mitigation measures should nesting birds be identified. A report of findings shall be provided to the City prior to the initiation of ground disturbing activities.</p>	<p>Planning Department</p> <p>Biologist</p>	Within 30 days of site disturbance.	Less than significant
V. Cultural Resources	<p>V-1. If during the course of grading or construction, artifacts or other cultural resources are discovered, all grading on the site shall be halted and the Applicant shall immediately notify the City Planner. A qualified archaeologist shall be called to the site by, and at the cost of, the Applicant to identify the resource and recommend mitigation if the resource is culturally significant. The archeologist will be required to provide copies of any studies or reports to the Eastern Information Center for the State of California located at the University of California Riverside and the Agua Caliente Tribal Historic Preservation Office (THPO) for permanent inclusion in the Agua Caliente Cultural Register.</p>	<p>Planning Department</p> <p>Qualified Archaeologist</p>	During grading and other ground disturbing activities	Less than significant



Section Number	Mitigation Measures	Responsible for Monitoring	Timing	Impact after Mitigation
	V.2. In the event that any human remains are discovered, the Applicant shall cease all work and contact the Riverside County Coroner's Office and work shall not resume until such time that the site has been cleared by County Coroner and/or the Desert Hot Springs Police Department. The Applicant shall also be required to consult with the Agua Caliente Tribal Historic Preservation Office (THPO).	Planning Department	During grading and other ground disturbing activities	Less than significant
VIII. Hazards	Any and all equipment, facilities, connections and building components required for cannabis extraction shall be submitted to the Fire Department for review and approval. Should extraction of cannabinoids be included in the building plans, no building permit shall be issued until the Fire Department provides the City with written authorization to issue the permit.	Building Department	Prior to the issuance of building permit	Less than significant



CHAPTER THREE – ENVIRONMENTAL CHECKLIST

1. **Project Name:** AB Holdings L.L.C. Medical Marijuana Cultivation Center
2. **Lead Agency Name and Address:**
City of Desert Hot Springs
65950 Pierson Boulevard
Desert Hot Springs, California 92240
3. **Contact Person and Phone Number:**
Rich Malacoff, AICP
760-329-6411, Ext. 256
4. **Project Location:**
East of Little Morongo Road and north of Thomas Avenue
5. **Project Applicants' Name and Address:**
Mr. Bert Culha
7910 Santa Monica Boulevard, #B
West Hollywood, CA 90046
6. **General Plan Designation:** Light Industrial
7. **Zoning Designation:** Light Industrial
8. **Description of Project:**

The project will be constructed in two phases. Phase 1 consists of one building of approximately 34,000 square feet, located at the northern end of the site, and encompassing a front office area and five greenhouses. Phase 2 consists of a building of approximately 29,000 square feet, located at the southern end of the site, and encompassing a front office area and four greenhouses. The buildings will have a height of 27 feet, while the greenhouses will extend to 24 feet in height.

Each building will include cultivation areas, processing areas, office, shipping, and storage rooms. A second floor mezzanine is proposed on the western end of each building to house extraction facilities. The site is configured to provide parking and landscaping improvements for each phase, as development occurs (Exhibit 4 and 5).

The applicant is proposing to include a Butane Extraction Room in the facility. The extraction process uses liquid butane to extract cannabinoids from plant material to create an oil. Butane is a highly flammable substance which must be isolated and handled under specific conditions.

The project also proposes on site power generation, with a generator and turbines to be located inside structures on the north end of the site.

Access to the site will be provided from Thomas Avenue. A total of 2 driveway access points are proposed, one on southeast and the other one on southwest, which will provide access to the parking area. Parking areas will be provided on the western side of the property immediately adjacent to the west property line. An interior driveway will provide access to all sides of the site.



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The project will require two permits. First, a Conditional Use Permit consistent with the requirements of Desert Hot Springs Municipal Code Section 17.180, and second a Development Agreement to address phasing, infrastructure requirements, and general liability issues associated with the use.

9. **Surrounding Land Uses and Setting:**

The project site is located in a sparsely developed area of the Desert Hot Springs. Thomas Avenue (unimproved) borders the subject property to the south, vacant and undeveloped land to the east and south, and Allen Fence Construction to the west. Little Morongo Wash occurs approximately 600 feet from the eastern boundary of the site.

The project site is designated as Light Industrial (I-L) on the City's General Plan Land Use Map (Exhibit III-1; General Plan). Immediate surrounding lands are also designated as Light Industrial.

10. **Other public agencies whose approval is required (e.g., permits, financing approval, or participation agreement.):**

None.



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ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" or "Less Than Significant With Mitigation Incorporated" as indicated by the checklist on the following pages.

- | | | |
|--|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture and Forestry Resources | <input type="checkbox"/> Air Quality |
| <input checked="" type="checkbox"/> Biological Resources | <input checked="" type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology / Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology / Water Quality |
| <input type="checkbox"/> Land Use / Planning | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Population / Housing | <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation /Traffic | <input type="checkbox"/> Utilities / Service Systems | <input type="checkbox"/> Mandatory Findings of Significance |



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DETERMINATION

On the basis of this initial evaluation:

- ☐ I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- ☒ I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- ☐ I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- ☐ I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- ☐ I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been adequately analyzed in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Rich Malacoff, AICP
Senior Planner

Date



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	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
I. AESTHETICS -- Would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: Desert Hot Springs General Plan, 2000.

Setting

The City and project site are located in the Coachella Valley Basin, surrounded by San Bernardino and San Jacinto Mountain Ranges in all directions. The San Bernardino and San Jacinto Mountain Ranges have a significant rise over the valley floor and are visible from most locations in the City. The foothills of the San Bernardino Mountains extend along the northerly and easterly portion of the City, beginning approximately +3.0 miles north and east of the subject property, and constitute a scenic vista for much of the Coachella Valley.

Ultimate development of the site will result in the construction of industrial buildings of up to 30 feet (2 stories) in height (Exhibit 5).

Discussion of Impacts

a) Less Than Significant Impact. From the subject property, scenic views of the San Bernardino Mountains are to north and east, while views of the San Jacinto Mountains are visible to the west. Views of the lower elevations of the mountains are blocked by intervening development, including a 1 story commercial building to the immediate west (Allen Fence Construction building). However, middle and upper elevations of the mountains are visible above this structure.

Lands immediately to the north, east, and south are currently undeveloped natural space. The mountains are visible to the north, east, and south, but are more distant, so their immediate scenic value is diminished.

Currently, the subject property is vacant, and is adjacent to a commercial building to the west, consistent with other urban development in the area in scale and height.

The development of the proposed project will primarily affect scenic mountain views as seen from



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properties west of the subject site. Building height on the subject site can extend up to 30 feet or 2 stories. The ultimate construction of a cultivation center on the site would result in limited obstruction of views for viewers looking to the east, insofar as two stories would result in short-range view blockage to the east. Views to the northeast and southeast would remain, however. Viewers located to the north, east, and south of the site will not experience any view blockage to the immediate south, west, and north, and would still have views to the San Bernardino and San Jacinto Mountain Ranges.

Lands to the north, east, and south of the site are currently vacant and views to the south, west, and north will remain. The project site will not impact their views.

Overall, although there will be some impact from the proposed project on short-range views, impacts to views of scenic vistas from surrounding properties will be less than significant.

b) No Impact. The project site is not located within a state scenic highway or locally designated scenic corridor. It does not contain scenic resources such as rock outcroppings or trees. No impact is expected.

c) Less Than Significant Impact. The project site is currently vacant and undeveloped. The ultimate development of the site will result in the construction of two story buildings in a style that is expected to be consistent with the style of development in the area.

The proposed Phase 1 building will be approximately 183 feet in length, 132 feet in width, and 29.4 feet in height. The building proposed in Phase 2 will be approximately 183 feet in length, 105 feet in width, and 29.4 feet in height. The buildings are proposed to be concrete block structures, with deep reveals and metal sunshades located at intervals in contrasting color on the west, north and south sides. On the west side of the buildings, facing Little Morongo Road, storefront windows and doors will be provided. The east side of the buildings will include doors to the interior and screening walls to a height of 24 feet, in varying earth tones. On the north side, and on the south side facing Thomas Avenue, beyond the concrete portion of the building, greenhouses will also be screened by walls to a height of 24 feet.

The visual character of Thomas Avenue is less intense but generally consistent with the commercial development proposed. One and two story structures occur west of the Little Morongo Road, which is dominated by residential development. The proposed project will increase the mass of the structures on Thomas Avenue, but design review and the inclusion of view corridors, variations in building massing and high quality architectural treatment to the structures will improve the visual character. The impacts associated with visual character are expected to be less than significant.

d) Less Than Significant Impact. The site is currently vacant and there is no lighting onsite. The ultimate development of cultivation center on the site can be expected to generate increased levels of light and glare from interior and exterior building lighting, safety and security lighting, landscape lighting, and vehicles accessing the site. Glare can also be expected from building windows. However, lighting and glare levels are not expected to exceed typical levels within the surrounding urban environment, and will be regulated by the City's lighting standards. The project will be designed according to the City's Zoning Ordinance and will properly shield light fixtures to minimize spillage onto adjacent properties. The Zoning Ordinance and design standards will be incorporated to assure that project light and glare impacts will be less than significant.



	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
<p>II. AGRICULTURAL RESOURCES: In determining whether impacts to agricultural resources are significant environmental effects, lead agencies may refer to the California Agricultural Land Evaluation and Site Assessment Model (1997) prepared by the California Department of Conservation as an optional model to use in assessing impacts on agriculture and farmland. In determining whether impacts to forest resources, including timberland, are significant environmental effects, lead agencies may refer to the information compiled by the California Department of Forestry and Fire Protection regarding the State's inventory of forest land, including the Forest Legacy Assessment Project; and forest carbon measurement methodology provided in Forest Protocols adopted by the California Air Resources Board. Would the project:</p> <p>a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?</p> <p>b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?</p> <p>c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined by Public Resource Code section 122220(g)), timberland (as defined by Public Resource Code section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104 (g))?</p> <p>d) Result in the loss of forest land or conversion of forest land to non-forest use?</p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>	<p><input checked="" type="checkbox"/></p> <p><input checked="" type="checkbox"/></p> <p><input checked="" type="checkbox"/></p> <p><input checked="" type="checkbox"/></p>



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e) Involve other changes in the exiting environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use?

☐☐☐☒

Source: Riverside County Important Farmland Map, 2010.

Discussion of Impacts

a-e) No Impact. Currently, the project site is designated as Light Industrial (I-L) on land use maps (General Plan; Exhibit III-1). According to the Riverside County Important Farmland, 2010 map, the area is considered Other Land and is not suitable for livestock grazing, confined livestock, or poultry. The site is not designated as Prime Farmland, Unique Farmland, or Farmland of Statewide or Local Importance by the California Department of Conservation. In addition, the site is surrounded by lands which are not in agricultural uses. The proposed development will not conflict with zoning for agricultural uses or a Williamson Act contract. It will not result in other changes that could result in the conversion of farmland to non-agricultural uses. There will be no impact to agricultural resources as a result of the proposed project.

Overall, impacts to agricultural resources will not occur.



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III. AIR QUALITY – Where available, the significance criteria established by the applicable air quality management or air pollution control district may be relied upon to make the following determinations. Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: CalEEMod model version 2013.2.2; Terra Nova Planning & Research, March 2016.
<http://www.aqmd.gov/home/library/public-information/2014-news-archives/sentinelairmonitor>;
 accessed 03.24.2016; Desert Hot Springs General Plan, 2000

Setting

The project site is located in the Salton Sea Air Basin (SSAB), which is under the jurisdiction of the South Coast Air Quality Management District (SCAQMD). All development within the SSAB is subject to SCAQMD's 2012 Air Quality Management Plan (2012 AQMP) and the 2003 Coachella Valley PM₁₀ State Implementation Plan (2003 CV PM₁₀ SIP). The SCAQMD operates and maintains regional air quality monitoring stations at numerous locations throughout its jurisdiction. The proposed site is located within Mission Springs Water District well site 37 (MSWD Well 37) and Source Receptor Area (SRA) 30. MSWD Well 37 is a new air quality monitoring station at the intersection of Two Bunch Palms Trail and Cabot Road which was installed in 2014 by SCAQMD. MSWD Well 37 is collecting data on fine particulates (PM_{2.5}) on a continuous basis and providing real-time hourly data. SRA 30 covers the City of Desert Hot Springs and other cities of the Coachella Valley. Ambient concentration data of CO, O₃, and NO₂ emissions were taken from SRA 30. The Palm Springs monitoring station has been operational since 1987.

The Salton Sea Air Basin (SSAB) is currently (March 2016) a non-attainment area for PM₁₀ and is classified as attainment/unclassifiable for PM_{2.5}. The SSAB continues to exceed federal and state standards for ozone and PM₁₀. In order to achieve attainment in the region, the 2003 Coachella Valley PM₁₀ Management Plan was adopted, which established strict standards for dust management for development proposals. The proposed project will contribute to an



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incremental increase in regional ozone and PM₁₀ emissions. However, given its limited size and scope, cumulative impacts are not expected to be considerable. Project construction and operation emissions will not exceed SCAQMD thresholds for PM₁₀ or ozone precursors (NO_x).

Ultimate development of the site will result in the site disturbance for construction and long term impacts associated with operation and of the project; however, these impacts will be less than significant.

Discussion of Impacts

a) Less Than Significant Impact. The project site is located in the Salton Sea Air Basin (SSAB) and will be subject to SCAQMD's 2012 Air Quality Management Plan (2012 AQMP) and the 2003 Coachella Valley PM10 State Implementation Plan (2003 CV PM10 SIP). The AQMP is based, in part, on the land use plans of the jurisdictions in the region. The AQMP is a comprehensive plan that establishes control strategies and guidance on regional emission reductions for air pollutants. The proposed project is consistent with the City of Desert Hot Springs land use designations assigned to the subject property. Therefore, the proposed project is consistent with the intent of the AQMP and will not conflict with or obstruct implementation of the applicable air quality plan. Less than significant impact associated with compliance with applicable management plans is expected.

b) Less Than Significant Impact. The California Emissions Estimator Model (CalEEMod) Version 2013.2.2 was used to project air quality emissions that will be generated by the proposed project. Criteria air pollutants will be released during both the construction and operational phases of the proposed project, as summarized in the Table 1 and 2. Table 1 summarizes short-term construction-related emissions, and Table 2 summarizes ongoing emissions generated at operation.

Construction Emissions

The construction period includes all aspects of project development for both Phase 1 and 2, including site preparation, grading, hauling, paving, building construction, and application of architectural coatings. For analysis purposes, and to provide a conservative analysis, it is assumed that construction of both phases will occur over a 1-year period from mid 2016 to mid 2017.

As shown in Table 1, emissions generated by construction activities will not exceed SCAQMD thresholds for any criteria pollutant. The data reflect average daily emissions over the 1-year construction period, including summer and winter weather conditions. The analysis assumes there will be a net balance of soils on-site, and no soil materials will be imported or exported during grading. Applicable minimization measures and best management practices include, but are not limited to, the implementation of dust control practices in conformance with SCQAMD Rule 403, proper maintenance and limited idling of heavy equipment, phasing application of architectural coatings and the use of low-polluting architectural paint and coatings. Adherence to such measures will ensure construction related emissions would remain less than significant. The complete list of minimization measures is provided at the end of this Section under Minimization Measures.



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Table 1
AB Holdings L.L.C. Medical Marijuana Cultivation Center
Construction-Related Emissions Summary
(pounds per day)

Construction Emissions ¹	CO	NO _x	ROG	SO ₂	PM ₁₀	PM _{2.5}
2016	45.36	53.01	61.53	0.09	10.51	5.89
SCAQMD Thresholds	550.00	100.00	75.00	150.00	150.00	55.00
Exceeds?	No	No	No	No	No	No

¹ Average of winter and summer emissions, unmitigated, 2016-2017.
Source: CalEEMod model, version 2013.2.2 output tables generated 03.23.2016.

Operational Emissions

Operational emissions are ongoing emissions that will occur over the life of the project. They include area source emissions, emissions from energy demand (electric and natural gas), and mobile source (vehicle) emissions. Traffic generation trip rates were derived from the ITE Trip Generation Manual, 8th edition and Desert Hot Springs General Plan through desktop analysis for the development of both phases of the project. For this project, the Nursery (Wholesale) land use category was used to calculate the daily trip rates. Table 3-2 provides a summary of projected emissions at operation of the proposed project.

Table 2
AB Holdings L.L.C. Medical Marijuana Cultivation Center
Operation-Related Emissions Summary
(pounds per day)

	CO	NO _x	ROG	SO ₂	PM ₁₀	PM _{2.5}
Operational Emissions*	3.07	1.07	4.13	0.006	0.36	0.12
SCAQMD Thresholds	550.00	100.00	75.00	150.00	150.00	55.00
Exceeds?	No	No	No	No	No	No

* Average of winter and summer emissions, unmitigated, 2016-2017.
Source: CalEEMod model, version 2013.2.2 output tables generated 03.23.2016.

As shown in Table 2, operational emissions will not exceed SCAQMD thresholds of significance for any criteria pollutants. The data are conservative and reflect unmitigated operations. Impacts related to operation will be less than significant.

c) Less than Significant Impact. The project site is located in the Salton Sea Air Basin, which is classified as a “non-attainment” area for PM₁₀ and ozone. In order to achieve attainment in the region, the 2003 Coachella Valley PM₁₀ Management Plan was adopted, which established strict standards for dust management for development proposals. The proposed project will contribute to an incremental increase in regional PM₁₀ and ozone emissions. However, given its limited size and scope, cumulative impacts are not expected to be considerable. Project construction and operation emissions will not exceed SCAQMD thresholds for PM₁₀ or ozone precursors (NO_x). The project will not conflict with any attainment plans and will result in less than significant impacts.

d) Less than Significant Impact. The nearest sensitive receptor is a single-family house located approximately 140 meters northwest of the project site. To determine if the proposed project has the potential to generate significant adverse localized air quality impacts, the mass rate Localized Significance Threshold (LST) Look-Up Table was used. The City of Desert Hot



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Springs and the subject property are located within Mission Springs Water District Well Site 37 station (MSWD Well 37) and Source Receptor Area 30 (Coachella Valley).

Based on the project's size and proximity to existing housing, the 5-acre site tables at a distance of 100 meters were used. Table 4 shows on-site emission concentrations for project construction and the associated LST.

As shown in the Table 4, LSTs will not be exceeded under unmitigated conditions for all criteria pollutants. Therefore, air quality impacts to nearby sensitive receptors during construction will be less than significant.

Table 4
AB Holdings L.L.C. Medical Marijuana Cultivation Center
Localized Significance Thresholds
(pounds per day)

	CO	NO_x	PM₁₀	PM_{2.5}
Project Emissions	45.36	53.01	10.51	5.89
LST Threshold	5,331	425	67	19
Exceeds?	No	No	No	No
Emission Source: CalEEMod model, version 2013.2.2 output tables generated 03.23.2016.				
LST Threshold Source: LST Mass Rate Look-up Table, SCAQMD.				

e) Less than Significant Impact. The proposed project will operate as an industrial development and plants will be grown and stored indoors. The buildings will be equipped with the proper ventilation systems. The proposed project is not expected to generate objectionable odors during any phase of construction or at project buildout. Short term odors associated with paving and construction activities could be generated; however, any such odors would be quickly dispersed below detectable levels as distance from the construction site increases. Therefore, impacts from objectionable odors are expected to be less than significant.

Minimization Measures

The following measures will further reduce emission of potentially harmful pollutants and should be included in project grading and dust control plans, as well as in construction and construction traffic staging:

- III-1. Construction equipment shall be properly serviced and well maintained.
- III-2. Construction equipment, delivery trucks, worker vehicles, and haul trucks will limit idling time to no more than 5 minutes.
- III-3. Use of aqueous diesel fuels and diesel oxidation catalysts to run diesel-powered construction equipment whenever practicable.
- III-4. A fugitive dust plan shall be prepared for the proposed project and shall be approved by the City Engineer. Said plan shall include but not be limited to the following best management practices:
 - Chemically treat soil where activity will cease for at least four consecutive days;



- All construction grading operations and earth moving operations shall cease when winds exceed 25 miles per hour;
 - Water site and equipment morning and evening and during all earth-moving operations;
 - Operate street-sweepers on paved roads adjacent to site;
- III-5. To control fugitive dust emissions, wash off trucks as they leave the project site as necessary.
- III-6. Cover all transported loads of soils, wet materials prior to transport, provide adequate freeboard (space from the top of the material to the top of the truck) to reduce PM10 and deposition of particulate matter during transportation.
- III-7. Use track-out reduction measures such as gravel pads at project access points to minimize dust and mud deposits on roads affected by construction traffic.
- III-8. Each portion of the project to be graded shall be pre-watered prior to the onset of excavation, grading or other dust-generating activities.
- III-9. SCAQMD Rule 1113 shall be adhered to, ensure low VOC paints/architectural coatings are used on all surfaces.



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IV. BIOLOGICAL RESOURCES -- Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Game or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations or by the California Department of Fish and Game or US Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: Biological Resource Assessment, prepared by AMEC Foster Wheeler, November 2015



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Discussion of Impacts

a) Less Than Significant with Mitigation Incorporated. Amec Foster Wheeler prepared a general biological resources assessment for the proposed project area. The assessment included literature review and field assessment of the site. Based on the literature review and habitat suitability assessment, thirty special-status biological resources have the potential to occur within 5 miles of the site, including fourteen plants, two vegetation communities, four reptiles, five birds, and five mammals. Of these thirty special-status biological resources, sixteen were found to have no habitat on-site; and therefore are considered to be absent.

The field surveys determined that the subject site consists primarily of stabilized sandy substrates and does not contain extensive areas of Aeolian deposits. Aeolian deposits are important to specific species such as the Coachella Valley fringe-toed lizard. The site is dominated by Sonoran creosote bush scrub (natural community). Perennial plant species (such as creosote and white bursage) were also observed on the site.

The region provides suitable habitat for Burrowing owl. The Coachella Valley Multiple Species Habitat Conservation Plan requires compliance with State protocol for this species, if identified on a project site. No evidence of the natural borrows suitable for the owl were observed on site. However, man-made structures (i.e. piles of broken concrete, etc.) suitable for burrowing owl were present on site. A pre-construction protocol level burrow survey is recommended to locate and map all suitable burrows and structures suitable for burrowing owls.

The project site is not located in Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP) designated conservation areas, wildlife corridors or biological linkage areas. The Upper Mission Creek/Big Morongo Canyon Conservation Area is located approximately 600 feet east and the Willow Hole Conservation Area is located approximately 2,600 feet south of the project site.

At the time of the survey, the City of Desert Hot Springs was not included in the CVMSHCP. When the city becomes part of the CVMSHCP via the issuance of take permits from federal and state agencies, the prescribed development fee will be required to mitigate any impacts relating to sensitive species. If permits are not issued, further detailed surveys will be required for sensitive species.

The Migratory Bird Treaty Act (MBTA) protects native birds while nesting and the Coachella Valley Multiple Species Habitat Conservation Plan (CVMSHCP) addresses the conservation needs of 27 species of native flora and fauna and 27 natural vegetation communities occurring throughout the Coachella Valley region. Nesting habitat for Le Conte's thrasher and loggerhead shrike bird species is present on-site. Loggerhead shrike is not included in CVMSHCP. The CVMSHCP does require that development comply with the MBTA and avoid impacts to nesting birds. In order to assure that impacts to species covered under the MBTA are less than significant, a mitigation measure has been provided below.

b, c) No Impact. The project site does not contain any streams, riparian habitat, marshes, protected wetlands, or sensitive natural communities protected by California Department of Fish and Game or U.S. Fish and Wildlife Service. No impacts will occur.

d) No Impact. A wildlife corridor is a link of wildlife habitat, generally containing native vegetation, which joins two or more larger areas of similar wildlife habitat. The subject site is an undisturbed open space but it does not function as a migratory wildlife corridor or nursery site. It does not contain trees or other biological species or features that are protected by local policies or



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ordinances. Nesting habitat for Le Conte's thrasher and loggerhead shrike bird species is present on-site. Any ground disturbance activities will be avoided during the nesting season. No project-related impacts will occur.

e) No Impact. The project will not conflict with any policies or ordinances that protect biological species, insofar as the City does not have such policies.

f) Less than Significant Impact. The project site is not located in a CVMSHCP-designated conservation area. However, the city is in a process of joining the CVMSHCP. When completed, the project will be subject to payment of the Local Development Mitigation Fee, which will mitigate potential impacts to covered species. Impacts will be less than significant.

Mitigation Measures

- IV.1. A pre-construction burrowing owl survey shall be conducted to CDFW protocol prior to the issuance of any ground disturbing activity on the site. A report of findings shall be provided to the City prior to the initiation of ground disturbing activities.
- IV.2. Any ground disturbance (grubbing, grading or excavation) proposed for the period from January 15 to July 31 shall be preceded by a nesting bird survey performed by a qualified biologist. The biologist shall perform the survey within 30 days of the initiation of activities, and provide mitigation measures should nesting birds be identified. A report of findings shall be provided to the City prior to the initiation of ground disturbing activities.



V. CULTURAL RESOURCES -- Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of a historical resource as defined in §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Historical/Archaeological Resources Survey Report, CRM Tech January 2016; Desert Hot Springs General Plan, 2000.

Discussion of Impacts

a, b) Less than Significant with Mitigation Incorporated. CRM TECH prepared a general historical/Archaeological resources survey report for the proposed project area. The survey included a comprehensive records search, historical research, consultation with Native American representatives, and an on site field survey.

The records search was conducted at the Eastern Information Center. The records search determined that two historical/archaeological sites exist within one-mile radius to the site. These two sites were designated as 33-015964 (CA-RIV-8283) and 33-024248 (CA-RIV-11907). None of these sites are located on or adjacent to the proposed project site. Neither of these sites was found in the immediate vicinity of the project site.

The field survey identified no historic or prehistoric resources within or adjacent to the project site. The proposed project will not cause a substantial adverse impact on either historical or archaeological resources as identified in 15064.5. However, the NAHC recommended contacting a number of individuals and organizations including Native American groups for further investigations. Prior to the completion of the historical/Archaeological resources survey report, only one of the tribal representatives (Judy Stapp from the Cabazon Band) contacted had responded. The Cabazon Band designated the project site as part of the tribe's traditional use area; however, no specific site of the Native American traditional cultural value was reported within the project site. After completion of the survey, two additional letters were received, from the Agua Caliente and the Soboba tribes. The Agua Caliente identified the site as within its traditional use area, but determined that the area had previously been surveyed. It requested that a mitigation measure be included that required that if human remains are found during construction, State law be observed, requiring that the Coroner be contacted, and Tribal protocols implemented.



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Nevertheless, to further reduce the impact, CRM TECH recommended that mitigation be required should resources be identified during construction. This mitigation measure is included below.

c) No Impact. The subject site is not known to contain unique paleontological features. Also, there are no unique geological features (river, lake, hills, faults, and folds etc.) located onsite that can directly or indirectly be destroyed. The surface soils consist of light brown coarse alluvial sands, mixed with large rocks in some areas. Recent deposits are not conducive to the location of paleontological resources. The proposed project will construct two story structures that will not require deep excavation. The proposed project will not directly or indirectly destroy a unique paleontological resource or site or unique geologic feature. Therefore, no project-related impacts are anticipated.

d) No Impact. No cemeteries are reported to occur onsite or in the project area. No project-related impact is expected. Please see V.a) above regarding Agua Caliente request regarding this issue.

Mitigation Measures

- V.1. If during the course of earth-moving operations associated with the project, any buried cultural material is recovered, all operations on the site shall be halted and the Applicant shall immediately notify the City Planner. A qualified archaeologist shall be called to the site by, and at the cost of, the Applicant to identify the resource and recommend mitigation if the resource is culturally significant. The archeologist will be required to provide copies of any studies or reports to the Eastern Information Center for the State of California located at the University of California Riverside and the Agua Caliente Tribal Historic Preservation Office (THPO) for permanent inclusion in the Agua Caliente Cultural Register.
- V.2. In the event that any human remains are discovered, the Applicant shall cease all work and contact the Riverside County Coroner's Office and work shall not resume until such time that the site has been cleared by County Coroner and/or the Desert Hot Springs Police Department. The Applicant shall also be required to consult with the Agua Caliente Tribal Historic Preservation Office (THPO).



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VI. GEOLOGY AND SOILS -- Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Have soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: Desert Hot Springs General Plan, 2000, Geotechnical Element; Geology of the Desert Hot Springs-Upper Coachella Valley area, California by Richard J. Proctor (Special report 94).

Discussion of Impacts

a.i) Less Than Significant Impact. The project site is not located within a rupture zone of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zone



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Map. There are no active faults located on-site or in the project vicinity. The nearest active faults are Mission Creek, San Andreas (Banning), and Devers Hill faults. The impacts associated with fault rupture to the project site are less than significant.

a.ii) Less Than Significant Impact. There are a number of active earthquake faults close to the project site, including the Mission Creek, San Andreas (Banning), and Devers Hill faults. Based on the earthquake potential analysis of Mission Creek and San Andreas (Banning), the site is located in the intensity zone IX through XI and significant ground shaking will occur on the project site during a significant earthquake. This intensity range (IX – XI) can result in partial or complete collapse of buildings, their foundations and underground pipelines on site. However, to reduce impacts associated with ground shaking on people and buildings, the City implements the latest seismic safety design standards outlined in the current California Building Code for Seismic Zone V. The standards in the Code are specifically designed to reduce impacts to buildings and people in seismic zones. Therefore, impacts associated with strong seismic ground shaking will be less than significant.

a.iii) Less Than Significant Impact. The subject property is located in an area characterized mainly by superficial sand (Qs) and alluvium (Qal) deposits. The liquefaction potential of the alluvium deposits mainly depends on the severity of ground shaking during an earthquake as the groundwater depths are greater than 150 feet beneath the site. For liquefaction to occur, groundwater levels must be within 50 feet of the ground surface. Therefore, impacts will be less than significant.

The project will be required by the City to prepare site-specific geotechnical analysis prior to the issuance of building permits. These geotechnical investigations including analysis for earthquake-induced liquefaction and landsliding in areas designated as underlain by “susceptible sediments” and “shallow groundwater”.

The City of Desert Hot Springs General Plan requires all development within Landslide Susceptibility areas to include subsurface geotechnical investigations. The project site is located in an area with low susceptibility of being impacted by rock falls and seismically induced landsliding. However, the City will require the preparation of site and building specific geotechnical analysis as part of the building permit process to assure that the foundation and structure are constructed to withstand seismic activity. Therefore, impacts associated with liquefaction and ground failure are expected to be less than significant.

a.iv) No Impact. The project site is located on relatively flat terrain designated as an “area with low susceptibility of being impacted by rock falls and seismically induced landsliding” in the Desert Hot Springs General Plan (Exhibit V-2). Therefore, no impacts associated with landslides are expected.

b) Less Than Significant Impact. The project site is located in an area designated as an area “slight wind erosion hazard – areas where the soils are coarse-grained and show no evidence, or slight evidence, of soil removal or accumulation, and all areas with fine- to medium-grained soils that are protected from erosive winds” (Desert Hot Springs General Plan; Exhibit V-3). The City will require the preparation and implementation of a dust management plan as part of the grading permit process for the project site. This plan (as described in Section III, Air Quality) will include wind erosion best management practices, as prescribed by the SCAQMD. Project related impacts associated with wind erosion will be less than significant.

c) Less Than Significant Impact. As discussed earlier, the project site is located in area with low potential to liquefaction, rock falls and seismically induced landslides. The site is not located



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on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse. Therefore, the impacts will be less than significant.

d) No Impact. Based on the soil associations mapped by the U.S. Soil Conservation Service, the site is underlain in the near surface by light brown coarse alluvial sands, mixed with large rocks in some areas. Expansive soils tend to include a significant amount of clay and are subject to swelling. The City's General Plan states that expansive soils are not generally considered a hazard because of the minor amount of clay present in local soils. Impacts related to expansive soils are not anticipated.

e) Less Than Significant Impact. The Horton Wastewater Treatment Plant (HWWTP) serves the City of Desert Hot Springs. The project site is located in the area that is remote from the centralized treatment facility; therefore, it is required to install and maintain an on-site septic system. The City will require that this system be designed to local, regional and state standards, which include appropriate soils, drainage and maintenance. The sandy soils present at the site have effectively supported septic systems, and continue to do so. Impacts associated with soils and septic systems are expected to be less than significant.



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VII. GREENHOUSE GAS EMISSIONS –
Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Generate greenhouse gas emissions either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: CalEEMod Version 2013.2.2

Discussion of Impacts

a, b) Less than Significant Impact. The proposed project will generate greenhouse gas (GHG) emissions during both construction and operation. As mentioned in Section III (Air Quality), CalEEMod was used to quantify air quality emission projections, including greenhouse gas emissions. Construction related greenhouse gas emissions will be temporary and will end once the project is completed. Operation of the proposed project will create on-going greenhouse gases through energy usage and area source emissions such as landscaping maintenance and off-gassing from the pavement. Table 5 provides projected short-term and annual GHG generation associated with the cultivation center.

Table 5
AB Holdings L.L.C. Medical Marijuana Cultivation Center
Projected GHG Emissions Summary
(Metric Tons/Year)

	CO ₂ e
Construction Activities	189.73
Operational Activities	439.58
Emission Source: CalEEMod model, version 2013.2.2 output tables generated 03.23.2016. Values shown represent the total annual, unmitigated GHG emission projections for construction and operation of the proposed project, 2017.	

The only adopted GHG threshold enforced by the South Coast Air Quality Management District is for industrial uses at 10,000 MT/yr CO₂e. The project does fall under the industrial category; however, project related CO₂e emissions are below the industrial GHG threshold. It is recognized that GHG impacts are intrinsically cumulative. Project construction will be conducted in a manner that is consistent with applicable rules and regulation pertaining to the release and generation of GHG's.

Statewide programs and standards will further reduce GHG emissions generated by the project, including new fuel-efficient standards for cars, and newly adopted Building Code Title 24 standards. The emission of GHG generated as a result of the proposed project will have a less than significant impact on the environment and will not conflict with any applicable GHG plans, policies or regulations.



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VIII. HAZARDS AND HAZARDOUS MATERIALS – Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>



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Source: Desert Hot Springs General Plan, 2005.

Setting

The proposed site is vacant and undeveloped. The on-site surface area consists of stream deposits, including numerous boulders, and a variety of debris and household materials scattered throughout the site. According to the site specific Phase I Assessment and site visit, the debris did not appear to contain hazardous materials and further investigations were not warranted.

Ultimate development of the site will result in the construction of medical marijuana cultivation center. Small quantities of cleaners, solvents and fertilizers and pesticides may be used on-site for routine cleaning and cultivation. In addition, the applicant is proposing the inclusion of an extraction room to produce “hash oil,” using a process that requires the vaporization of liquid butane to extract cannabinoids from cannabis plants.

Discussion of Impacts

a, b) Less Than Significant Impact with Mitigation. The proposed project will result in the development of 2 buildings that will be used for the cultivation of medical marijuana. Cleaners, solvents and fertilizers and pesticides may be used on-site for routine cleaning and cultivation. However, none of these will be used in sufficient quantities as to pose a threat to humans or cause a foreseeable chemical release into the environment. In addition, the applicant proposes the inclusion of an extraction room that would use liquid butane to extract the oil from cannabis plant materials. Although butane is not a regulated substance, it is highly flammable and poses a potential risk to public safety, if not stored and processed properly. The extraction room will require proper separation from other building facilities, must be vented properly, and the butane stored in a manner that isolates the material and contains it at specific temperatures. The Fire Department will require project specific detailed plans for all equipment, storage areas and processing areas where the butane is present. This is a potentially significant impact that requires mitigation.

The construction phase would involve the use of heavy equipment, which uses small amounts of oil and fuels and other potential flammable substances. During construction, equipment would require refueling and minor maintenance on location that could lead to fuel and oil spills. The Contractor will be required to identify a staging area for storing materials. The proposed project would not result in a significant risk of explosion or accidental release of hazardous substances. The use and handling of hazardous materials during construction activities would occur in accordance with applicable Federal, State, and local laws including California Occupational Health and Safety Administration (CalOSHA) requirements. Impacts will be less than significant.

c) No Impact. No schools are located within one-quarter mile of the project site. The nearest school is Two Bunch Palms Elementary located approximately 1.2 miles from the proposed site. There will be no hazardous materials-related impacts to schools.

d) No Impact. The subject property is not included on a list compiled pursuant to Government Code Section 65962.3. The proposed project will not create a significant hazard to the public or environment.

e, f) No Impact. The Palm Springs International Airport is located approximately 9 miles south of the subject property. The subject site is not located within the boundaries of the airport’s land use



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compatibility plan. The site is not located in the vicinity of a private airstrip. The project will not result in safety hazards for people living or working in the area.

g) Less Than Significant Impact. The proposed project will not significantly alter the existing circulation pattern in the project area or adversely impact evacuation plans. The primary project access point is on Thomas Avenue which is currently not paved. Development of the project site will be conditioned by the City to include half-width road improvements to the roadway on Thomas Avenue. Proposed parking and circulation plans will be reviewed by the Fire and Police Departments to assure that driveways and roads are adequate for emergency vehicles. A construction plan will be required to assure that the project does not interfere with emergency access during development.

h) No Impact. The project site is not located in wildland fire hazard zone and is not susceptible to wildfires. Therefore, the proposed project will not expose people or structures to significant risks associated with wildfires. No wildfire related impact is expected.

Mitigation Measures

VIII.1. Any and all equipment, facilities, connections and building components required for cannabis extraction shall be submitted to the Fire Department for review and approval. Should extraction of cannabinoids be included in the building plans, no building permit shall be issued until the Fire Department provides the City with written authorization to issue the permit.

IX. HYDROLOGY AND WATER QUALITY --

Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>



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d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
j) Inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: "Hydrology Study for Cultivation Center," prepared by Sanborn A/E, March 2016.
"Project Specific Water Quality Management Plan," prepared by Sanborn A/E, March 2016.

Setting

The Mission Springs Water District (MSWD) and the Coachella Valley Water District (CVWD) provide domestic water to the project area. Their primary source of fresh water is groundwater extracted by deep wells from Mission Creek subbasin. These agencies also get a lesser amount of water from regional groundwater basins including Garnet Hill subbasin, and Desert Hot Springs subbasin.

The City of Desert Hot Springs works with MSWD to treat and recycle wastewater at two Regional Wastewater Treatment Plants. The plants are the Horton Treatment Plant and the Desert Crest Treatment Plant with capacities of 2,300,000 gal/day (2,800 AFY) and 180,000 gal/day (202 AFY), respectively. The disposal of effluent from both the Horton and Desert Crest treatment plants is accomplished by utilizing percolation ponds located within the plants on the southwest (potable water) side of the Mission Creek Fault. MSWD implements all requirements of the Regional Water Quality Control Board pertaining to water quality and wastewater discharge.



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In the northern portion of the City, the Mission Creek Wash is the primary drainage, which drains an area of approximately 2,577 acres and has a computed peak 100-year storm flow of more than 20,000 cubic feet per second (cfs) in the reach of the wash east of Little Morongo Road. In the city, several watersheds drain the adjoining elevated terrain of the San Jacinto Mountains and include Garnet watershed and Morongo Watershed.

The project site and areas surrounding it are subject to City requirements relating to flood control. The City implements standard requirements for the retention of storm flows, and participates in the National Pollution Discharge Elimination System (NPDES) to protect surface waters from pollution.

The development of the site will result in an increase in impermeable surfaces on the site, and therefore an increase in on-site storm flows. Drainage through the site will be collected and directed to two 72" perforated pipes located below ground. These pipes will retain storm flows and allow drainage into the substrate.

Ultimate development of the site will generate impervious surfaces. There are two drainage management areas on the site, one on the north and one on the south, that will accommodate water during storm or flood event. Overall, project related impacts would be less than significant.

Discussion of Impacts

A, f) No Impact. The proposed project will not violate water quality standards or waste discharge requirements. Sewer conveyance systems are not immediately available at the project site. The project proponent will install septic system to treat sanitary sewage. The City will require implementation of all requirements of the Regional Water Quality Control Board pertaining to water quality and septic tank management. The project will be required to comply with National Pollutant Discharge Elimination System (NPDES) regulations, which minimize the pollutant load associated with urban runoff. No project related impact is anticipated.

b) Less Than Significant Impact. For the proposed development, water will be required during site grading for a short-term period (during construction). At buildout, water will be required to serve the needs of the cultivation center and landscaping. The project will connect to existing water lines beneath Little Morongo Road. No new wells or additional water infrastructure are proposed to meet the project water requirement.

The project will be required to comply with MSWD's and the City's water-efficiency requirements, including the use of drought-tolerant planting materials and limited landscaping irrigation. Implementation of these and other applicable requirements will assure that water-related impacts are reduced to less than significant levels.

c-e) Less Than Significant Impact. The property is relatively flat and contains no rivers or streams. However, there is a flood plain approximately 600 feet east of the project site. The project will be required to comply with the City's requirements as they relate to storm water retention during a 100 year storm event, including the preparation of a project-specific hydrology study and water quality management plan. Implementation of these and other applicable requirements will assure that drainage and stormwater will not create or contribute water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff.



g, h) Less Than Significant Impact. The proposed project is located in the area between the limits of the 100-years flood and 500-years flood. As described in c-e) above, the project site will be designed to contain stormwater run-off from a 100-year flood event, thereby reducing impacts related to a 100-year storm event to less than significant levels.

i) Less Than Significant Impact. The project site will be designed so that building floors occur above the 100 year flood plain. This design has been implemented throughout the City's industrial area along Little Morongo Road. The City Engineer will require that all grading plans demonstrate that structures will be above flood levels. Implementation of these requirements will assure that impacts are less than significant.

j) No Impact. The proposed project site is not located in the vicinity of a body of water that can produce seiche, tsunami, or mudflow. There will be no impact.

X. LAND USE AND PLANNING - Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Physically divide an established community?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: Desert Hot Spring's General Plan (2000; Exhibit III-1).



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Discussion of Impacts

- a) **No Impact.** The subject property is currently vacant and located in an area that is predominantly undeveloped. The proposed development will not physically divide an established community. No impact is expected.
- b) **No Impact.** The subject property occurs in an area designated for light industrial (I-L) development in the General Plan. A Conditional Use Permit and Development Agreement are required by the City of the Desert Hot Springs for the cultivation of medical cannabis. For the proposed development, all activities will be conducted pursuant to the City's Municipal Code requirements and standards to avoid any conflict with any land use plan, policy, or regulation of an agency with jurisdiction. No impact is expected.
- c) **Less Than Significant Impact.** The project site is located in an area that is in the process of being covered by the Coachella Valley Multiple Species Habitat Conservation Plan. To avoid any conflict with any applicable habitat conservation plan or natural community conservation plan, the proposed development will be required to pay the CVMSHCP development impact fee. Therefore, impacts will be less than significant.



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XI. MINERAL RESOURCES -- Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: Desert Hot Spring's General Plan (2000; Exhibit IV-2).

Discussion of Impacts

a, b) Less Than Significant Impact. The majority of the City of Desert Hot Springs is made up of alluvial fans, which are mainly sand and gravel. Sand and gravels are considered as economic resource and commonly used for road base and other building materials. Small amounts of limestone, copper and gold have been explored from the area in past.

The site is located in an area designated for light industrial development, and is not in an area designated for mining activities. Although development of the site has the potential to reduce the area available for sand and gravel mining, the reduction will be minimal, and impacts to mineral resources will be less than significant.



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XII. NOISE – Would the project result in:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Desert Hot Springs General Plan, 2000.

Discussion of Impacts

a)-b) Less Than Significant Impact. The subject property is currently vacant and undeveloped. The main noise source is vehicular traffic on adjacent roadways (Little Morongo Road and Two Bunch Palms Trial). Structures will be required to meet the most recent version of the California Building Code noise insulation standards, which will assure that off-site noise impacts to the project are minimized to less than significant levels. Traffic noise along these roads is not expected to adversely impact the proposed project. Adherence to standards will ensure operations related noise would remain less than significant.

Short-term construction impacts could temporarily exceed acceptable noise thresholds. However, these impacts will be short-lived and temporary. The Municipal Code exempts construction activities from short-term, short-duration noise standards when they are conducted during



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permitted time frames. The City will require that construction activity comply with Section 9.04.030 of the Municipal Code, which limits construction activity to the less sensitive daylight hours. These requirements will reduce noise impacts to less sensitive daytime hours and assure that short-term construction noise impacts will be less than significant.

Impacts of the Proposed Project on Surrounding Development

Main project-related noise sources will include vehicular traffic accessing the site, grounds maintenance equipment, and heating, ventilation and air conditioning (HVAC) units. The vehicle mix will be comparable with existing vehicles on surrounding roads. Noise generated by the project is expected to be consistent with noise levels at any light industrial development, and will not exceed City standards. These noise levels are within the City's General Plan noise standards and less than what was expected for the site if it were to develop as a cultivation center. The proposed project is compatible with surrounding land uses, and operational noise impacts are not expected to exceed acceptable residential noise standards.

Impacts of Off-Site Noise Sources on the Proposed Project

The project site is currently designated for light industrial development in the General Plan, which considers acceptable a 70 dBA CNEL noise level. The proposed project will be a cultivation center. Current, unmitigated noise levels east of Little Morongo Road are 60.2 dBA CNEL which does not exceed the City's noise standard. The General Plan EIR further estimates that build out of the General Plan will result in noise levels on Little Morongo Road of 65 dBA CNEL at 130 feet from centerline, without mitigation. The ultimate development of the site for a cultivation center will not exceed the City's 70 dBA CNEL exterior noise standard, or the 45 dBA CNEL interior noise standard. Further analysis, which will be performed based on actual building design, will assure that the potential impacts associated with mechanical equipment are reduced to less than significant levels.

Ground-borne vibration and/or ground-borne noise would be produced during construction of the proposed project, which could be felt by adjacent land uses. The primary source of ground-borne vibration will be operation of heavy equipment such as bulldozers; however the impacts will be temporary and will end once construction is complete. The Municipal Code exempts construction activities from short-term, short-duration noise standards when they are conducted during permitted time frames. Long-term operation of the project is not expected to generate ground-borne vibrations or noise. Impacts will be less than significant.

c) Less Than Significant Impact. As described in XII.a, above, permanent increases in ambient noise levels will be less than significant. The primary permanent noise sources will be vehicles traveling to and from the site, grounds maintenance equipment, and HVAC units. Proposed cultivation center land uses are compatible with surrounding land uses, and project-related vehicles will be consistent with vehicles already using area roadways.

d) Less Than Significant Impact. Temporary noise generated during the construction phase of the proposed project could exceed acceptable noise levels. Primary noise sources will be heavy equipment, some of which will operate in close proximity to sensitive receptors, including multi-family residential development at the northwestern corner of the site.

The City will require that construction activity comply with the City's Municipal Code, which limits construction activity to between 7 a.m. to 7 p.m. on weekdays and 8 a.m. to 5 p.m. on Saturdays. No activity is permitted on Sundays and holidays. These requirements will reduce noise impacts to less sensitive daytime hours and assure that short-term construction noise impacts will be less than significant.



e, f) No Impact. The proposed project will not expose people residing or working in the project area to excessive aircraft-related noise. The Palm Springs International Airport is approximately 9 miles south of the subject property, and the property is outside of airport noise contours. The subject property is not located in the vicinity of a private airstrip, and no impacts will occur.



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XIII. POPULATION AND HOUSING -- Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Desert Hot Springs General Plan.

Discussion of Impacts

a) Less Than Significant Impact. The proposed project will not generate substantial population growth in the area. The proposed project will result in the construction of 63,000± square feet of building space on 2.52 acres of land. The cultivation facility will result in a need for employees for each phase of development. However, employment generation at the facility is not expected to be significant, and is likely to be filled by existing residents, or new residents to the area who will move based on anticipated growth rates. The proposed project will not result in the extension of infrastructure that will generate new development. The proposed project will be required to improve Thomas Avenue to its ultimate half-width. Impacts are expected to be less than significant.

b, c) No Impact. Currently, the project site is vacant and undeveloped and during the proposed construction, no residents will be displaced, and no replacement housing will be required elsewhere. No project-related impact is expected.



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XIV. PUBLIC SERVICES

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
i) Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii) Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
iv) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
v) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Desert Hot Springs General Plan, 2005.

Setting

The Desert Hot Springs Fire Department is responsible for fire protection within the City. The City contracts with CAL FIRE for its local service. The nearest fire station is Station 3 at 65958 Pierson Boulevard, approximately 1.7 mile to the northeast of the site.

The Desert Hot Springs Police Department is responsible for law enforcement and residents' safety in the city. The main police station operates out of City Hall which is at 65950 Pierson Boulevard, approximately 1.7 miles northeast of the subject property.

Discussion of Impacts

i) Less Than Significant Impact. The ultimate development of the project site will marginally increase the demand on fire service in the City. Given the close proximity of the closest fire station, fire personnel will be able to reach the site within the target five-minute response time. Emergency access will be provided to the property via the existing public roadway network, and a continuous driveway through the site will provide access to all sides of the buildings.

The Fire Department will review the project site plan to ensure it meets applicable fire standards and regulations. No construction of new or expanded fire services or facilities are required for the proposed project. Project-related fire protection impacts will be less than significant.



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ii) Less Than Significant Impact. The development of the site will result in a marginal increase in demand for police services. Police personnel will be able to access the site using Little Morongo Road and Thomas Avenue, and a continuous driveway through the site will provide access to all sides of the buildings. The project will be required to comply with all Police Department regulations and procedures. Project related impacts are expected to be less than significant.

iii) No Impact. The proposed project will not require the construction of a new school facility. The project is a stand-alone marijuana cultivation facility that will not increase the City's student population. The project will not increase the student population and there will be no impacts.

iv-v) No Impact. Project buildout is not expected to impact local and/or regional parks. The project consists of two buildings that will not induce population growth in the area and therefore, would not result in the need for new parks and recreation facilities. No additional public facilities are required for the proposed project to accommodate the employees. Occasional increase to the city's existing facilities will be less than significant.



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XV. RECREATION

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Desert Hot Springs General Plan, 2005.

Discussion of Impacts

a, b) No Impact. The proposed project consists of two large warehouse type buildings used to cultivate medical marijuana. The project would not increase the use of existing neighborhood or regional parks or other recreational facilities, nor will it require the construction or expansion of recreational facilities. No impact is anticipated.



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XVI. TRANSPORTATION/TRAFFIC -- Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transits.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the County Congestion Management Agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Result in inadequate parking capacity?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance of safety of such facilities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Oxford Properties Cultivation Center Traffic Impact Analysis, prepared by Urban Crossroads, July 2015; Desert Hot Spring's General Plan.

Setting

The project site is located on the east side of Little Morongo, approximately 400 feet north of Two Bunch Palm Trail, in the City's urban core. The proposed project includes access on Thomas Avenue. Emergency vehicle access will be provided to Thomas Avenue.



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Desktop analysis was used to analyze the proposed project trip generation in March 2016 (Table 3-6). The traffic analysis was based upon a variety of sources, including the General Plan Circulation Element and the Institute of Transportation Engineers' (ITE) 9th Edition Trip Generation Manual (2012).

Discussion of Impacts

a,b) Less Than Significant Impact. The ITE land use category for this analysis was No. 818, Nursery (Wholesale) to consider the traffic that would be generated by the site. The uses likely within the current General Plan and Zoning designations are consistent with this definition. Nursery (Wholesale) land use was chosen to represent the allowable land use with the most likely trip generation.

The City has established a goal for both intersection operations and roadway link segment operations of Level of Service (LOS) D or better, which is consistent with the Riverside County Congestion Management Program. The California Department of Transportation endeavors to maintain a target Level of Service at the transition between Level of Service C and D (maximum 35 seconds of control delay).

Existing Conditions

Existing roadways in the vicinity of the project site include Little Morongo Road, Thomas Avenue, Two Bunch Palm Trail, and Pierson Boulevard. At buildout, these roadways can carry approximately 56,500 (avg.), 1,200 (avg.), 30,600 (avg.) and 20,200 vehicles per day, respectively. Existing General Plan conditions and traffic analysis indicate that Little Morongo Road is operating at LOS B.

Trip Generation

Trip generation calculations show that the proposed project has the potential to generate approximately 50 daily vehicle trips per day, 3 of which would occur during the morning peak hour and 4 of which would occur during the evening peak hour (Table 6).

Table 6
AB Holdings L.L.C. Medical Marijuana Cultivation Center
Traffic Report Summary

Land Use	ITE	Units	AM Peak Hour			PM Peak Hour			Daily
			In	Out	Total	In	Out	Total	
Project Trip Generation Rates									
Nursery (Wholesale)	818	AC	0.13	0.13	0.26	0.23	0.22	0.45	19.50

Land Use	Quantity	Units	AM Peak Hour			PM Peak Hour			Daily
			In	Out	Total	In	Out	Total	
Project Trip Generation Rates									
Cultivation Center	2.52	AC	0.32	0.32	0.66	0.57	0.55	1.13	50



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Future Traffic Impacts

The proposed project will generate 50 trips per day, considerably less than might be expected from an industrial land use on the subject property. As a result, the analysis concluded that the proposed project will not result in a degradation of short or long term conditions, and is likely to result in a marginal reduction in build out trips on surrounding streets. The proposed project would have a less than significant impact on traffic in the area.

c) No Impact. The Palm Springs International Airport is located approximately 9 miles south of the subject property and the proposed project will have no impact on traffic patterns affecting the airport.

d) No Impact. The proposed project design includes standard intersection designs, and interior driveways will be constructed to accommodate emergency vehicles. The project will not include any design hazards.

e-f) No Impact. The site is designed with a continuous driveway that will provide access to all sides of the building for emergency services. The project site plan includes parking that conforms to the City's Zoning Ordinance requirements. No impact will occur.

g) No Impact. There will be no conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities. There is currently no transit service in the vicinity of the project site. Sunline Transit Agency line 14 currently provides service along Palm Drive. The proposed project will have no impact on this service. Transit service could be expanded in the future, to include the area surrounding the proposed project, if demand warrants such an expansion. The City and SunLine monitor transit service, and periodically consider the addition of service as demand increases. No impact is expected.



XVII. UTILITIES AND SERVICE SYSTEMS

– Would the project:

	Potentially Significant Impact	Less Than Significant with Mitigation Incorporated	Less Than Significant Impact	No Impact
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Source: Desert Hot Springs General Plan 2000.

Setting

Wastewater Treatment

Mission Springs Water District provides wastewater treatment in the City. There are no sewer lines, however, in the area of the proposed project. The proposed project will therefore be required to install septic systems on site.



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Domestic Water

Mission Springs Water District (MSWD) will provide domestic water services to the project site. The proposed project will be subject to the 2013 California Building Code requirements which mandate greater efficiency than previous codes applied to existing development in the area.

The proposed project will be required to implement all water conservation measures imposed by MSWD under normal as well as drought conditions over the life of the project. In addition, the State Water Resources Control Board (SWRCB) has issued Emergency Order 2014-0718-01E, which mandates water suppliers enact certain water restrictions. The project will also be required to implement that emergency measure, if in effect at the time construction occurs. The proposed project shall be required to comply with this reduction plan as well.

The project site is located in the Coachella Valley Water District Groundwater Management Area, for which MSWD prepares an annual report to document and analyze the region's water needs and long-term demand for domestic water. This analysis includes conservation measures and replenishment programs to make it possible for MSWD to meet increasing demand.

The proposed project will tie into existing domestic water lines in Little Morongo Road. No new wells or additional water infrastructure or entitlements will be required.

Storm Water Management

Storm water drainage infrastructure within the City consists of a network of natural and improved streams, storm drains, storm channels, and catch basins intended to manage stormwater that flows into Whitewater Storm Water Channel.

Solid Waste

Solid waste disposal is provided to the City by Desert Valley Disposal, through a franchise agreement with the City. Trash and recycled materials are collected from customers in the City and transported to the Edom Hill Transfer Station. Once sorted, solid waste is transported to several regional landfills, including Lambs Canyon, which is operated by the County of Riverside.

Discussion of Impacts

a) Less Than Significant Impact. The proposed project will implement a system of septic tanks to serve the proposed project. The applicant has also indicated that water recycling will be implemented within each building to reduce wastewater disposal. The septic systems will require approval by the Regional Water Quality Control Board, and will be regulated by the Board for maintenance and proper disposal. These standards and requirements will assure that impacts associated with wastewater standards will be less than significant.

b), d) Less Than Significant Impact. The proposed project will be required to connect to existing water lines in adjacent roadways. As previously identified, sanitary sewer service is not available in the area of the proposed project, and septic systems will be installed. The proposed project will be responsible for the connections necessary to tie into existing water lines to the standards set by the City and MSWD. As described in Section IX., Hydrology and Water Resources, the proposed project will generate a demand for domestic water which is within the MSWD's capacity, and impacts associated with water supplies will be less than significant. The City's standards and requirements will assure that impacts associated with water conveyance and water supply will be less than significant.

c) Less Than Significant Impact. The proposed project will be required to contain the 100 year storm on-site, as required by City standards. A system of sub-surface perforated pipes will be



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constructed below the parking areas, serving each phase. This system will be reviewed and approved by the City Engineer to assure that it meets City standards. These standards and requirements will assure that impacts associated with storm water management will be less than significant.

e) No Impact. The proposed project will not connect to a wastewater provider, and will instead install a septic system for each proposed building. There will be no impact to wastewater treatment capacities associated with the project.

f), g) Less Than Significant Impact. The proposed project will be served by Desert Valley Disposal. The project will be subject to the requirements for waste reductions in place at the time development occurs. The proposed project, as a quasi-industrial use, is not expected to generate significant amounts of solid waste. The Lambs Canyon landfill has sufficient capacity to accommodate solid waste from the proposed project and cumulative projects in the region.

Desert Valley Disposal is responsible for maintaining standards that assure that all waste is handled in a manner that meets local, state and federal standards. The project proponent will be responsible for disposing of fertilizers, pesticides and other materials used in the cultivation process to meet the standards of the Riverside County Environmental Health Department, which has jurisdiction over the storage and disposal of such products. These agencies have standards and requirements in place to assure that local, state and federal standards are implemented. Impacts associated with solid waste are expected to be less than significant.



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XVIII. MANDATORY FINDINGS OF SIGNIFICANCE

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

Discussion of Impacts

a) Less Than Significant with Mitigation. The project site is not located within the boundaries of a CVMSHCP-designated conservation area, wildlife corridors or biological linkage areas. Mitigation measures have been included in this Initial Study to reduce potential impacts to sensitive species to less than significant levels. The proposed project will not significantly reduce fish or wildlife habitat or otherwise adversely impact a fish or wildlife species.

The site has a low probability of containing archaeological resources, and there are no historic structures on site. Mitigation measures have been included in this Initial Study to assure that impacts associated with cultural resources remain less than significant.

With implementation of the mitigation measures provided in this report, impacts will be less than significant.

b) Less Than Significant Impact. The project will contribute to cumulative impacts of development in the City of Desert Hot Springs and broader Coachella Valley. However, impacts will be less than significant because the project will reduce the intensity of development, particularly as it relates to traffic generated by a quasi-agricultural land use versus a industrial land use. Project construction will contribute to exceedances of PM10; however, these impacts will be mitigated to less than significant levels through implementation of dust management



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measures.

c) Less Than Significant Impact. The proposed project will result in the development of the subject site and will not have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly. Therefore, project related impacts will be less than significant.



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