



County of San Benito

RESOURCE MANAGEMENT AGENCY

2301 Technology Parkway, Hollister, CA 95023

(831) 637-5313 • FAX: (831) 637-5334

CALIFORNIA ENVIRONMENTAL QUALITY ACT NOTICE OF EXEMPTION

The San Benito County Resource Management Agency has reviewed the project described below and has determined that it is exempt from the provisions of CEQA as specified in Sections 15061 - 15332 of CEQA for the reason(s) which have been specified in this document.

Application Number: PLN250003

Cannabis Permit Number: 35-2025-0001

Assessor Parcel Number: 027-030-023, 027-030-024, 027-030-025, and 027-030-027.

Project Location: 2038 Old Airline Hwy, Paicines, CA 95043 (see attached map)

Project Description: Outdoor cannabis cultivation and transport-only distribution. Project encompasses a maximum of 160 acres of cannabis canopy (see attached “Project Description Preparation Form_2038 Old Airline Hwy” and “Site Diagram_2038 Old Airline Hwy”).

Person or Agency Proposing Project: Matt Groves (DNA Organics, Inc.)

Contact Phone Number: 864-979-4797

- A. ☐ The proposed activity is not a project under CEQA Guidelines Section 15378.
- B. ☐ The proposed activity is not subject to CEQA as specified under CEQA Guidelines Section 15060 (c).
- C. ☐ **Ministerial Project** involving only the use of fixed standards or objective measurements without personal judgment.
- D. ☐ **Statutory Exemption** other than a Ministerial Project (CEQA Guidelines Section 15260 to 15285).
- E. ☒ **Categorical Exemption**

Specify type: 15301 Class 1: Use of existing facilities; 15304 Class 4: Minor Alterations to Land; 15311 Class 11: Accessory Structures.

Class	Category	Description
Class 1	Existing Facilities	Consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. (Cal. Code Regs., tit. 14, §15301.)
Class 4	Minor Alterations to Land	Consists of minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry and agricultural purposes. (Cal. Code Regs., tit. 14, § 15304.)
Class 11	Accessory Structures	Consists of construction, or placement of minor structures accessory to (appurtenant to) existing commercial, industrial, or institutional facilities (Cal. Code Regs., tit. 14, § 15311.)

F. Reasons why the project is exempt:

Cultivation on an existing commercially-farmed property.

In addition, none of the conditions described in Section 15300.2 apply to this project.

Signed by: Stephanie Reck Date: 5/23/2025
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 Stephanie Reck, Senior Planner

Area Code/Telephone/Extension: (831) 718-7960

ATTACHMENTS:

- “Project Description Preparation Form_2038 Old Airline Hwy”;
- “Site Diagram_2038 Old Airline Hwy”; “BMOP_2038 Old Airline Hwy”



Project Description Preparation Form

Lead Agency: County of San Benito Resource Management Agency

Applicant Entity/Business Name: DNA Organics, Inc.

License Type(s): Cultivation, Distribution (Type 13 - Transport-Only)

Date: May 22, 2025

1. Source(s) of Information:

Identify Sources: San Benito County License Application Submission.

2. Project Location:

Describe Project Location: 2038 Old Airline Hwy, Paicines, CA 95043. 36.666303, -121.254171 for 160 acres of cultivation on APNs: 027-030-023, 024, 025, and 027.

Maps Included: Site Plan Sheets C-1 included

3. Description of Project Site:

General Topographic Features (slopes and other features): Large agricultural parcels mainly flat lands with hills to the west and a hill on the north central portion of the parcels. No commercial cannabis activities will occur on sloped portions of the parcels. The parcels total 408 acres in size.

Natural Features (general vegetation types, presence of streams and wetlands, forested areas): The site is generally flat and commercially farmed for vegetables. The areas that are not farmed are rolling rangeland hills interspersed with oak woodlands. Site includes a riparian area associated with San Benito River as labeled by the US EPA.

Existing Land Uses/Zoning: Agricultural Rangeland (AR) zoning for commercial agriculture and commercial livestock farms and grazing. Cannabis cultivation is defined as agricultural and is a principally-permitted use with the AR zone.

Existing Constructed Features (buildings, facilities, and other improvements): Three residential structures, and three agricultural barn structures.

Surrounding Land Uses (including sensitive uses): Commercial agriculture/rangeland (zoned Agricultural Rangeland) with residences.

4. Required Site Improvements and Construction Activities:

Site Improvements: The project consists of cannabis cultivation outdoors and parking for 1-2 self-transport distribution vehicles. Site improvements include fencing for securing the site and security cameras. No more than 14 freezer containers will be placed on the site to temporarily store crop prior to transportation.

Construction Activities: Installation of fencing and up to 14 freezer containers, no tree

removal, grading or excavation.

5. Operation and Maintenance Activities:

Hours of Operation/Work Shifts: 7:00am to 7:00pm

Number of employees (total and by shift): two full-time staff with an influx of employees for harvest operations anticipated.

Estimated Daily Trip Generation: 8 or fewer round trips per day on average with potentially 16 during harvest operations.

Source(s) of Water: Agricultural well on the property

Wastewater Treatment Facilities: Portable toilet facility. No runoff anticipated from cultivation operations, and coverage from the Regional Water Quality Control Board is on-going.

Source(s) of Power: PG&E Service

6. Environmental Commitments: “Best Management and Operational Practices” (BMOP) requirements apply to all non-retail commercial cannabis businesses to reduce the environmental impacts of cannabis operations. A BMOP plan for this project was reviewed by the County of San Benito Cannabis Coordinator and is kept on file with the license application. BMOP requirements for this project are noted below:

BMOP “Siting Criteria” (Section A) and “Site Design” (Section B) includes measures to avoid and minimize impact to land and biotic resources including: Avoidance of Excessive Grading (A.1.), Minimizing Site Disturbance (A.2.), Fencing and Security (B.1.), and Water Storage (B.5.)

BMOP Section D. “Operational Requirements” adopted by GFC and approved by the San Benito County Cannabis Coordinator include: Herbivory Prevention Plan (Section D.2.), Riparian Buffer Protection (D.3.), Storage of Pesticides, Fuel, and Hazardous Materials (D.5.), Water Supply and Quality (D.7.), Waste (D.8.), Access Roads (D.11.)

Exceptions to categorical exemptions cited for the proposed non-retail cannabis project include: Class 1 “Existing Facilities”, Class 4 “Minor Alterations to Land”, Class 11 “Accessory Structures”. The County of San Benito Resource Management Agency has determined that the proposed project 1) is not visible from scenic highways and/or impactful to scenic resources, 2) is not located on a “Cortese List” site, 3) does not substantially change a historic resource, 4) is likely to not contribute to a significant cumulative environmental impact, 5) is not subject (by location and/or design) to unusual circumstances that would reasonably contribute to a significant environmental impact.

7. Environmental Permits Required (List all required federal, state, and local permits required):

Agency	Permit	Status
Department of Cannabis Control	Annual Cultivation License	Pending Approval
California Department of Fish and Wildlife	Section 1602 Lake or Streambed Alteration Agreement	EPIMS-SBO-56897-R4

State Water Resources Control Board / Regional Water Quality Control Board	Water quality protection program	WDID 3_35CC458890
San Benito County Resource Management Agency	Zoning Clearance	Approved 5/22/2025
San Benito County Resource Management Agency	Annual Cannabis Business Permit	Approved 5/22/2025

San Benito County Parcel Report

05/23/2025

APN: **0270300230**

Current Document: **1998R003387**

Jurisdiction: **San Benito County**

Owner: **EWE-TRAX LLC A
LIMITED LIABILITY CO
& LLC A LIMITE**

Owner Address: **P.O. BOX 35**

Owner CSZ: **PAICINES CA
95043**

Site Address: **0 OLD AIRLINE HWY**

Site CSZ: **PAICINES CA**

Acres: **28**

Land Value: **175842**

Recorded Map: **F#608**

Use Code: **AGRA**

Fault Zone: **NO**

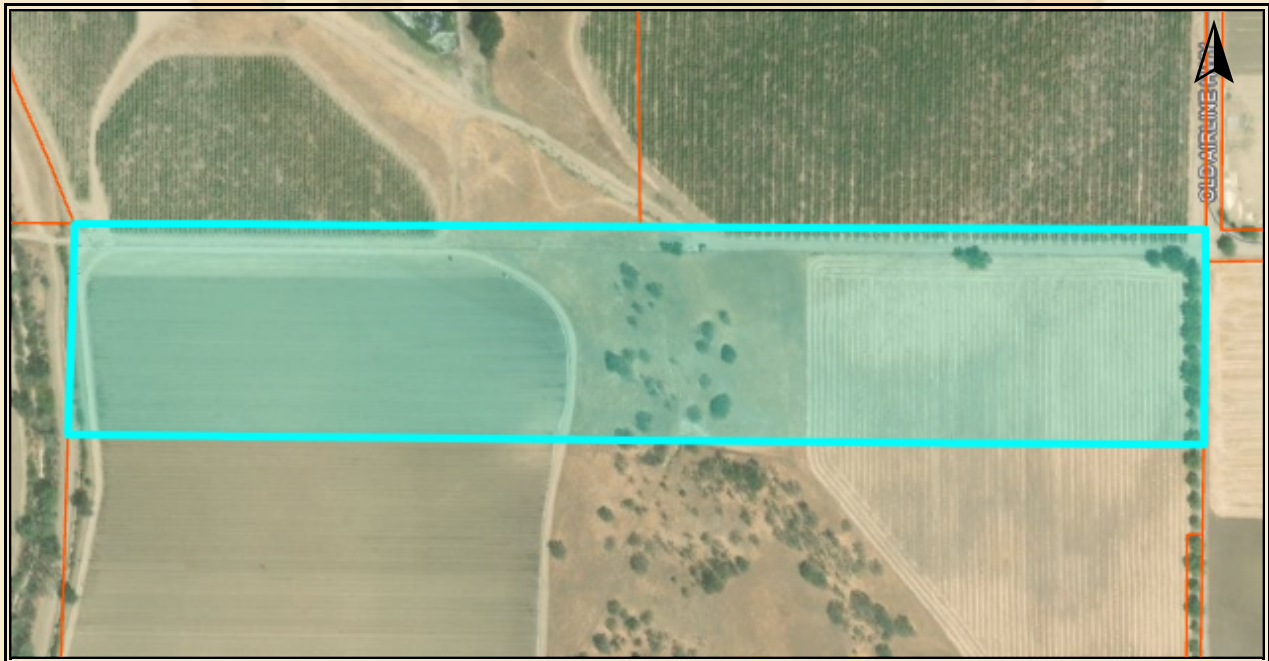
Flood Zone: **Flood Zone A
Partial**

Fire Hazard: **HIGH/VERY HIGH/MODERATE**

County GP: **Rangeland**

County Zoning: **Agricultural Rangeland**

Note:



San Benito County Parcel Report

05/23/2025

APN: 0270300240 **Current Document:** 1998R003387 **Jurisdiction:** San Benito County

Owner: EWE-TRAX LLC A
LIMITED LIABILITY CO
& LLC A LIMITE **Owner Address:** P.O. BOX 35 **Owner CSZ:** PAICINES CA
95043

Site Address: 2038 OLD AIRLINE HWY **Site CSZ:** PAICINES CA **Acres:** 160

Land Value: 1020008 **Recorded Map:** F#608 **Use Code:** AVGX

Fault Zone: YES **Flood Zone:** Flood Zone A
Partial **Fire Hazard:** VERY HIGH/MODERATE

County GP: Rangeland **County Zoning:** Agricultural Rangeland

Note:



San Benito County Parcel Report

05/23/2025

APN: 0270300250 **Current Document:** 1998R003387 **Jurisdiction:** San Benito County

Owner: EWE-TRAX LLC A
LIMITED LIABILITY CO
& LLC A LIMITE **Owner Address:** P.O. BOX 35 **Owner CSZ:** PAICINES CA
95043

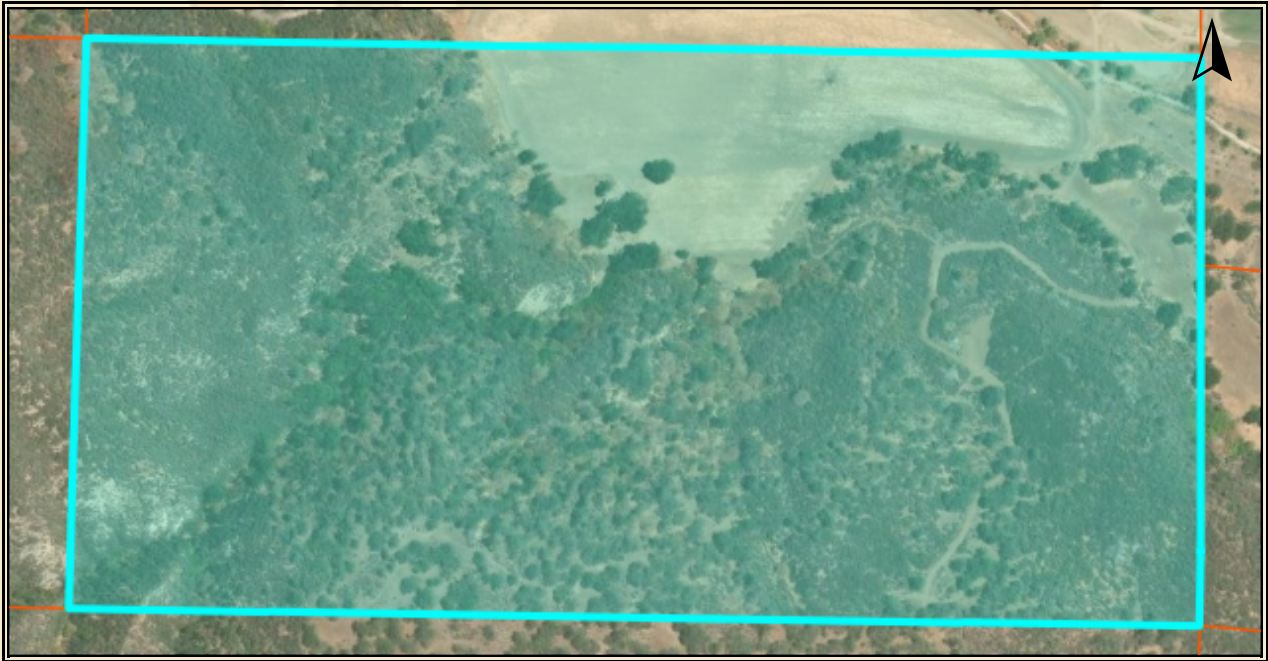
Site Address: 0 OLD AIRLINE HWY **Site CSZ:** PAICINES CA **Acres:** 80

Land Value: 140673 **Recorded Map:** F#608 **Use Code:** AVGX

Fault Zone: YES **Flood Zone:** Flood Zone A
Partial **Fire Hazard:** VERY HIGH/MODERATE

County GP: Rangeland **County Zoning:** Agricultural Rangeland

Note:



San Benito County Parcel Report

05/23/2025

APN: **0270300270**

Current Document: **1998R003387**

Jurisdiction: **San Benito County**

Owner: **EWE-TRAX LLC A
LIMITED LIABILITY CO
& LLC A LIMITE**

Owner Address: **P.O. BOX 35**

Owner CSZ: **PAICINES CA
95043**

Site Address: **0 OLD AIRLINE HWY**

Site CSZ: **PAICINES CA**

Acres: **140**

Land Value: **1318854**

Recorded Map: **F#608**

Use Code: **AVGX**

Fault Zone: **YES**

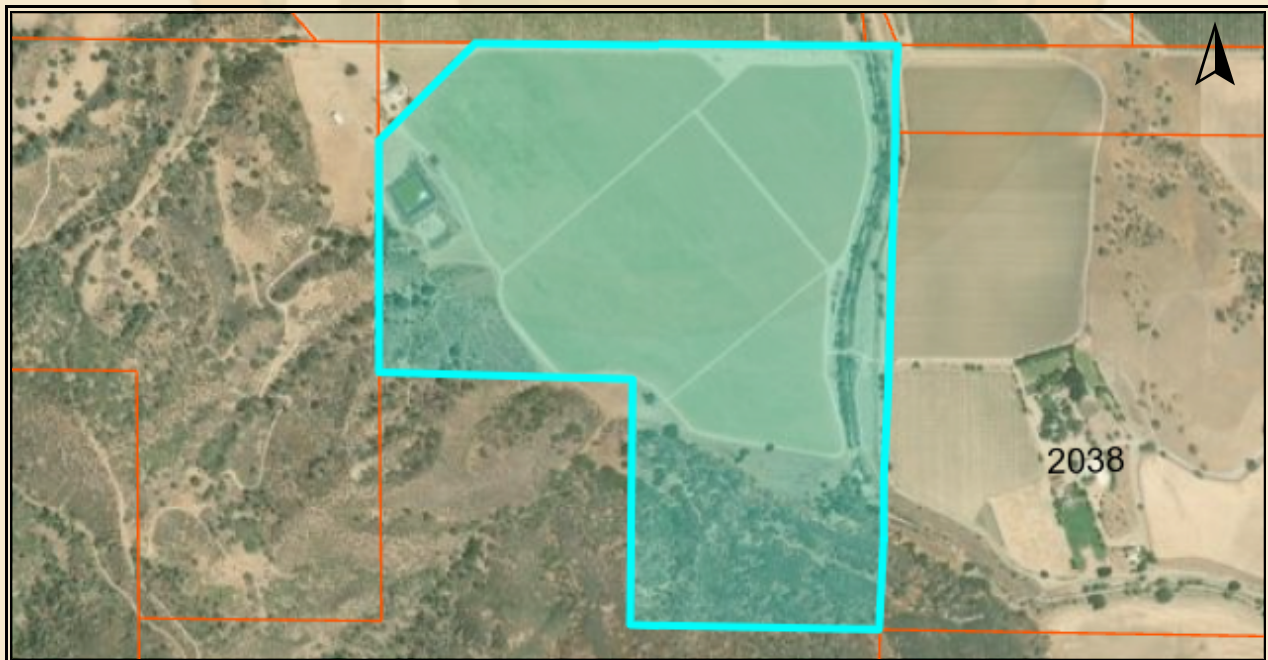
Flood Zone: **Flood Zone A
Partial**

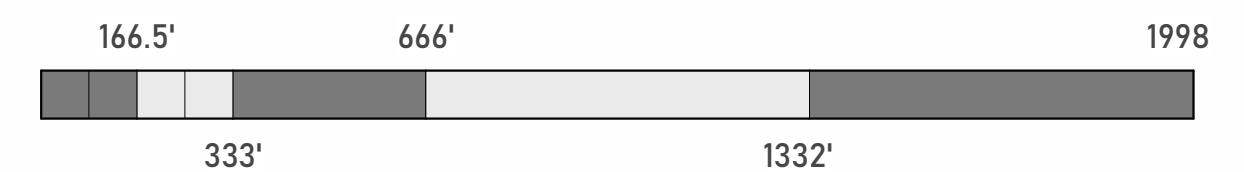
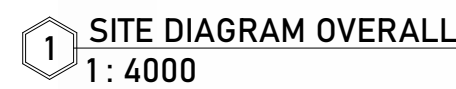
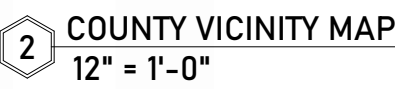
Fire Hazard: **VERY HIGH/MODERATE**

County GP: **Rangeland**

County Zoning: **Agricultural Rangeland**

Note:





C-1

Best Management and Operations Plan DNA Organics, Inc.

Oak Hill Ranch Paicines, CA

A. Siting Criteria:

- 1. Avoidance of Excessive Grading** – Planned cannabis cultivation areas and infrastructure have been carefully sited in order to eliminate grading or disturbance. No cannabis cultivation will take place on grades greater than 20% nor will any access roads or driveways used to access commercial cannabis facilities cross slopes greater than 20%.
- 2. Minimizing Site Disturbance and Reducing Forest Fragmentation** – There is no existing forest at the proposed cultivation site, thus no forestry will be impacted by site development. The cultivation strategy is to grow cannabis directly in the native soil, thus none of the development will permanently alter the soil.
- 3. Biological Assessments** – The County GIS shows no biotic resources at the property, thus no biotic assessment is required.
- 4. Archaeological and Paleontological Surveys** – The property has been commercially farmed for many decades thus no archaeological or paleontological assessments are required.
- 5. Historic Assessment of Structures 50 Years Old or More** – The site does not contain any structures 50 years older or more, thus no historic assessment is required.

B. Site Design:

- 1. Fencing and Security** – All cultivation areas at the property will be fenced in as to deter pests and protect cannabis crops from damage and predation by animals. Coupled with the fencing, security cameras will also be installed to deter intruders and theft.
 - a. Wildlife-Friendly Fencing and Neighborhood Compatibility** – Fencing specifications are based upon the Montana Fish, Wildlife, and Parks guide as per the BMOP. The proposed exclusionary fencing design is 6 foot tall 14 gauge galvanized steel welded wire fencing with 4"x4" upper grid pattern, and 2"x4" lower grid pattern on the bottom 24" of the fence. The wire mesh fence will keep out deer and other medium to large sized animals. No trees will need to be removed for the fencing plan. The least amount of fencing possible will be used to secure the cultivation areas. Because cultivation is taking place

on a commercial scale using tractors and implements in order to tend to the soil, there will be room within the fenced in cultivation area for the tractor to maneuver and accomplish standard commercial agriculture practices.

- b. Lighting for Security** – Lighting necessary for security shall consist solely of motion-sensor lights and will avoid adverse impacts on properties surrounding the lot on which the cannabis activity is located. Please refer to the Security Plan for detail on lighting placement.
- 2. Use of Impermeable and Permeable Surfaces** – The cultivation plan is to grow cannabis natively in the soil thus minimal impermeable or permeable surface development is required for cultivation activities.
- 3. Visual Blending of Cannabis Infrastructure** – There is not an expected need to blend cannabis infrastructure. All existing and proposed infrastructure is built on commercial agriculture land to commercial agriculture standards.
- 4. Water Resources – Drainage** – New and existing cannabis facilities at the property will meet County and State requirements for water drainage.
- 5. Water Storage** – All water storage will comply with planning department regulations for tank construction and setbacks from structures.

C. Construction Requirements:

1. Active Construction Requirements

- a. Seasonal Restriction** – Construction will not take place during the rainy season.
- b. Roosting Bat or Nesting Bed Survey** – No clearance of existing mature vegetation will be required thus no survey should be required.
- c. Work Hours** – Construction will not be initiated until 30 minutes after sunrise, and all outdoor construction activity will cease 30 minutes prior to sunset.
- d. Worker Environmental Awareness Program** – Any contractor and associated employees engaged in ground breaking activities shall participate in a pre-activity training program with a qualified biologist.
- e. Prevention of Spread of Invasive Plants and Weeds** – In accordance with best agricultural practices, the property will be managed in such a way that minimizes and eliminates invasive plants and weeds. Proposed cultivation practices including cover crop and regenerative farming practices will reduce the presence of weeds and invasive plants.

- f. **Sediment Control Measures** – Sediment will be controlled via the Site Management Plan prepared for the State Water Resource Control Board.
- g. **Staging and Storage Areas** – Storage areas for fuel and fertilizers will be established which are compliant with current code.
- h. **Spill Containment** – Spill containment kits will be in place at the property for fuel and fertilizer storage.
- i. **Open Pipe Restriction** – Open pipes will be covered and securely capped when not in use as to avoid occupancy and/or entrapment of wildlife.
- j. **Open Trenches** – Any open trenches, pits, or holes with depths greater than 1 foot will be covered at conclusion of work each day.
- k. **Soils Placement** – Soils are placed in proximity the cultivation area which are far from any streams, wetlands, riparian area, and other sensitive habitats.
- l. **Intake Screens** – No surface water diversion is required at the property.
- m. **Vegetation Removal** – No vegetation will be required to be removed at the property.
- n. **Riparian Buffers** – Riparian buffer setbacks are satisfied at the property.
- o. **Post-Construction Revegetation** – Any revegetation required will be accomplished by using a local cover crop mix.
- p. **Construction and Demolition** – Any covered project will recycle and/or salvage for reuse a minimum of 65% of nonhazardous construction and demolition waste.

D. Operation Requirements:

1. Employees

- a. **Implement TDM Measures** – Employees are encouraged to carpool to the property.
- b. **Worker Rights and Safety** – The company, DNA Organics, Inc., has workers comp insurance and complies with all applicable federal, state, and local laws and regulations governing California Agricultural Employers.

2. Herbivory Prevention Plan – Deer and other large herbivores will be excluded from cultivation space via wildlife friendly fencing. In addition, trees bordering the cultivation space are undisturbed to allow for raptor and owl habitats. Furthermore, preventative measures such as mowing and weed maintenance are regularly carried out which reduce rodent pressure. No chemicals or poison are used for herbivory prevention.

- 3. Riparian Buffer Protection** – No cultivation or cultivation related activities are taking place in a riparian buffer zone.
- 4. Supplemental Light for Cultivators** – No supplemental lighting will be used.
- 5. Pesticides, Fuel Storage, and Hazardous Materials** – Use of pesticide products shall be in compliance with the State pesticide laws and regulations enforced by the County Agricultural Commissioner's Office and the California Department of Pesticide Regulation.

a. Pesticide Storage

- i. Pesticide and fertilizer storage facilities are located outside of riparian setbacks
- ii. Pesticides and fertilizers will be stored in sheds/canopies which protect materials from the weather.
- iii. All bags and boxes of pesticides and fertilizers will be stored off the ground on pallets.
- iv. Pesticides and fertilizers will be contained in bins capable of acting as secondary containment for the total volume of materials contained.
- v. Pesticide and fertilizer containers will be routinely checked for leaks or spills.
- vi. There is a spill kit located on site available to use to respond to any leaks or spills.

b. Pesticide Use

- i. We comply with all pesticide label directions as they pertain to personal protective equipment, application method, and rate, environmental hazards, longest reentry intervals and greenhouse and indoor use directions.
- ii. For all other pesticides, use complies with all label requirements including site and crop restrictions.
- iii. Cultivation manager has obtained a Pesticide Operator ID from Santa Cruz County Agricultural Commissioner.
- iv. Monthly pesticide use reports submitted to the Santa Cruz County Agricultural Commissioner.

c. Fertilizer Use

- i. Prior to applying fertilizers, evaluation is made of irrigation water, soils, growth media, and plant tissue to optimize plant growth and avoid over fertilization.
- ii. Fertilizers will be applied at or below label rates.
- iii. Fertilizers will not be applied in a way that will result in runoff that may contaminate ground or surface water. Fertilizer is applied as a foliar to the leaves or to the soil via drip irrigation.

d. Fertilizer Disposal

- i. DNA will comply with regulations for proper disposal of fertilizer waste.
- ii. Fertilizer will be disposed of in accordance with the Public Resources Code.

e. Storage of Fuel – Fuel is stored and handled with applicable state and local laws and regulations.

- i. Fuel is stored more than 100 feet from any water source with no discharge path to water.
- ii. Proper storage instructions shall be posted and visible to all employees.
- iii. Supply of spill clean-up material shall be stored near the storage area.

f. Hazardous Materials – If a hazardous materials permit is required, the company will obtain one and comply with all current or future requirements of the Environmental Health Department.

6. Odor Abatement Plan – Odors due to outdoor cannabis cultivation at the Subject Parcel have been mitigated to the maximum extent possible given the topography of the site and neighboring sensitive receptors. Seasonal temporary cannabis harvest and storage containers are located far away from any neighboring sensitive receptors.

7. Water Supply and Quality

a. California State Water Resources Control Board – Site management plan and nitrogen management plan are under development and will be sent to the State Water Board in accordance with State annual cultivation license submittal. An application has been started with the State Water Board and the application fee has been paid. DNA Organics, Inc. will be compliant with all regulations and requirements of the California State Water Resources Control Board.

b. Department of Fish and Wildlife – A Standard Agreement application has been filed with the Department of Fish and Wildlife and is under process. DNA Organics, Inc. will

be compliant with all regulations and requirements of the California Department of Fish and Wildlife.

c. Water Tank Supply Management

- i. Water to fill water tanks is sourced from a agricultural well located on the subject property.

- 1. All water used for cultivation purposes is sourced from the agricultural well.

d. Irrigation – Irrigation is conducted in a manner that does not result in waste or runoff from the cultivated area. Irrigation methods employed at the property are described below.

- i. Timed drip irrigation.
- ii. Evaporative barriers on exposed soils and pots.
- iii. Irrigation only when soil is dry.
- iv. Water at rates that avoid run off.
- v. Regular inspection and maintenance of irrigation systems.
- vi. Float valves and other checks in place to prevent overflow of water tanks.
- vii. Constant effort to improve efficiency through technology and watering techniques.
- viii. Documentation program in place for irrigation, meters installed to measure irrigation use.

8. Waste

- i. **Organic Management** – All cannabis waste from operations will be mulched and composted on site in a secure, fenced area, including soil, plant material, and solid waste. The compost is split amongst plant material, soil, and onsite livestock waste. Composting areas are not located in riparian areas. Soil is reused in propagation and other compost is used as soil amendment.
- ii. **Litter Control** – Litter on site is controlled heavily, and all employees or contract labor cleans workspace at the close of the day. Dumpsters and trash cans for waste and recycling are provided in close proximity to the work site.

iii. Other Business Waste – The business shall contain waste, recycling, and organics in a manner that maintain neighborhood compatibility including eliminating potential odors and visual impacts.

9. Alternative Energy Sources – Cultivation takes place outdoors and requires very little supplemental power, only in the form of power for water pumps supplying irrigation.

10. Energy Conservation – Energy efficiency is maximized at the property by not using supplemental lighting.

11. Access Roads – The existing access roads at property will continue to be used and will be maintained.

12. Site Closure or Cleanup and Restoration Plan for Relocated Cultivation Sites – No infrastructure specific to cannabis is being developed that will not be usable for traditional agricultural uses. A plan to safely remove any materials associated with developed will be created and used in the event of any site closure.