



**Department of
Cannabis Control**
CALIFORNIA

NOTICE of EXEMPTION from CEQA
CALIFORNIA DEPARTMENT OF CANNABIS CONTROL

P.O. BOX 419106, RANCHO CORDOVA, CA 95741-9106

PHONE: (844) 612-2322

Email: ENVIRONMENTALREVIEW@CANNABIS.CA.GOV

To: Office of Planning and Research
State Clearinghouse
P.O. Box 3044
Sacramento, CA 95812-3044

From: Department of Cannabis Control
Environmental Evaluation Office
P.O. Box 419106
Rancho Cordova, CA 95741-9106

Project Title: Highway 1 Distribution (Project)

Project Location: Project is located at APN 003-051-26 in Santa Cruz County.

County: Santa Cruz

Project Description:

The Department of Cannabis Control, pursuant to authority granted under Business and Profession Code Division 10, Chapter 2, Section 26012, approved a Processor Cannabis license submitted on 03/09/2025.

Project Activities:

The project proposes cannabis processing activities within an existing cannabis distribution facility. The project site is located at 1210 Fair Ave, Santa Cruz, CA, 95060 (APN: 003-051-26). Processing activities will occur within several rooms of the existing industrial building, totaling approximately 4,750 square feet of space. Manufacturing and distribution activities will occupy the other areas of the building. Cannabis packaging will occur only under the distribution license. Water is provided by Santa Cruz Municipal Utilities and electricity is provided by PG&E. Due to the project site's zoning designation, density of similar projects in the surrounding area, and the project's previous and current use, there is no evidence that the project will contribute to a significant cumulative impact or lead to a significant environmental impact due to unusual circumstances.

Exemption Status: (check one)

- ☐ Ministerial [PRC, Sec. 21080(b)(1); CCR, Sec. 15268]
- ☐ Declared Emergency [PRC, Sec. 21080(b)(3); CCR, Sec. 15269(a)]
- ☐ Emergency Project [PRC, Sec. 21080(b)(4); CCR, Sec. 15269(b)(c)]
- ☒ Categorical Exemption: [Class 1 Categorical Exemption Cal. Code Regs., Title 14, §15301 & Class 32 Categorical Exemption Cal. Code Regs., Title 14, §15332]
- ☐ Statutory Exemptions: [State code section number]
- ☐ General Rule [CCR, Sec. 15061(b)(3)]

Reasons Why Project is Exempt:

The Department of Cannabis Control has determined that the project is a Class 1 Categorical Exemption Project. Class 1 Categorical Exemptions consist of the operation, repair, maintenance, permitting, leasing, licensing, or minor alterations to 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. The Project involves the use of an existing building with no proposal for expansion. The design, location, size, and operating characteristics of the Project are compatible with the existing and future land uses within the vicinity as it is zoned for light industrial.

The Department of Cannabis Control has determined that the project is a Class 32 Categorical Exemption Project. Class 32 Categorical Exemptions consist of projects characterized as in-fill development that are consistent with the general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations, occurs within city limits on a project site of no more than five acres substantially surrounded by urban uses, the project site has no value as habitat for endangered, rare or threatened species, approval of the project would not result in any significant effects relating to traffic, noise, air quality, or water quality, the site can be adequately served by all required utilities and public services. None of the exceptions to the exemption defined in Section 15300.2 apply to the Project.

This is to certify that the final environmental document, comments and responses, and the record of project approval are available to the public at the following location:

Department of Cannabis Control
Environmental Evaluation Office
P.O. Box 419106
Rancho Cordova, CA 95741-9106

Michael Keys

Environmental Scientist

916-885-4102

Contact Name

Contact Title

Phone #

Michael

Digitally signed
by Michael Keys

Keys

Date: 2025.10.23
13:58:01 -07'00'

Signature

TO BE COMPLETED BY OPR ONLY

Date Received for Filing and Posting at OPR: