



**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: Sunset Processing LLC

Project Location: The Project is located at 489 SAN ANDREAS RD WATSONVILLE, CA 95076 (APN 046-151-37).

County: Santa Cruz

Project Description: The Department of Cannabis Control, pursuant to authority granted under Business and Profession Code, Section 26012, approved a commercial cannabis processor license submitted on 6/5/2026 by Robert Chen.

Project Activities: The project proposes to operate a Class CA indoor co-location cannabis cultivation facility with up to five cultivators on Commercial Agriculture (CA) zoned property, Class 3 manufacturing (volatile extraction) and Class 2 distribution of cannabis product. The project includes approximately 590,922 square feet of cultivation within existing greenhouses, manufacturing, processing, distribution, office and storage within an existing 32,458 square foot processing facility on a site containing existing row crops, greenhouse plant production, cannabis cultivation, shipping and office use. Requires a Commercial Development Permit and a Coastal Development Permit Amendment to Permit 86-0351.

Exemption Status: (check one)

- ☐ Ministerial [PRC, Sec. 21080(b)(1); Cal. Code Regs., tit. 14 (CCR), § 15268]
- ☐ Declared Emergency [PRC, Sec. 21080(b)(3); CCR, §15269(a)]
- ☐ Emergency Project [PRC, Sec. 21080(b)(4); CCR, § 15269(b)(c)]
- ☒ Categorical Exemption: [Class 1 Categorical Exemption, CCR §15301]
- ☐ Statutory Exemptions: [State code section number]
- ☐ General Rule [CCR, § 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 site can be adequately served by all required utilities and public services. None of the exceptions to this exemption defined in Section 15300.2 apply.

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

Jacob Schmitz
Contact Name

Environmental Scientist
Contact Title

916-251-4625
Phone #

Jacob Schmitz
Signature

TO BE COMPLETED BY OPR ONLY

Date Received for Filing and Posting at OPR: