



Maldonado Companies, LLC

Board of Supervisor's Hearing
County of Santa Barbara

December 14, 2021
19LUP-00000-00116

Abel: Farmer & Innovator

Brandon: Compliance Expert & Industry Leader

Abel Maldonado:

- **Born and raised in Santa Maria** – farming in the area his whole life.
- Engaged in numerous **community organizations**.
- **Founder** of Agro-jal Farms, global agricultural powerhouse employing over 500 people.
- Helped start a youth center as a **Santa Maria City Council Member and Mayor**.
- Elected to the **State Assembly** and **State Senate**.
- Served as **Lieutenant Governor of California**.
- **A pioneer of industrial hemp for research** in California.
- Now **diversifying** into cannabis with his family.



Brandon Gesicki:

- Manages **compliance and business** for Canna Rios LLC.
- **Policy expert** in federal, state, and local agriculture, land use and environmental issues.
- **Leader of bi-partisan** Monterey County legalization efforts.
- Track record of working successfully with local law enforcement, as reflected by **letter of support** from Monterey County Sheriff, Steve Bernal.

The Maldonado Family Farm

- Abel, Laura and all four of their children, Erika, Nick, Marcus and Dino, were born and raised in the **Santa Maria Valley**.
- For 3 generations the family has farmed vegetables and strawberries.



A Farming Family



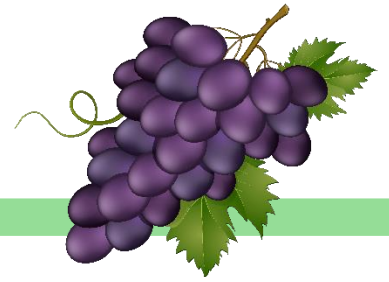
- The Maldonado Family raised their children on the farm.
- Abel, Nick, Erika attended Cal Poly SLO, where they studied Crop Science, Ag Communication & Agri-business.
- In 2008, they planted the **vineyard** to cultivate quality grapes & produce wine together.
- Abel's sons, Nick and Marcus, live on the farm and will help manage the cannabis cultivation.



Abel Maldonado
with sons,
Marcus and Nick.

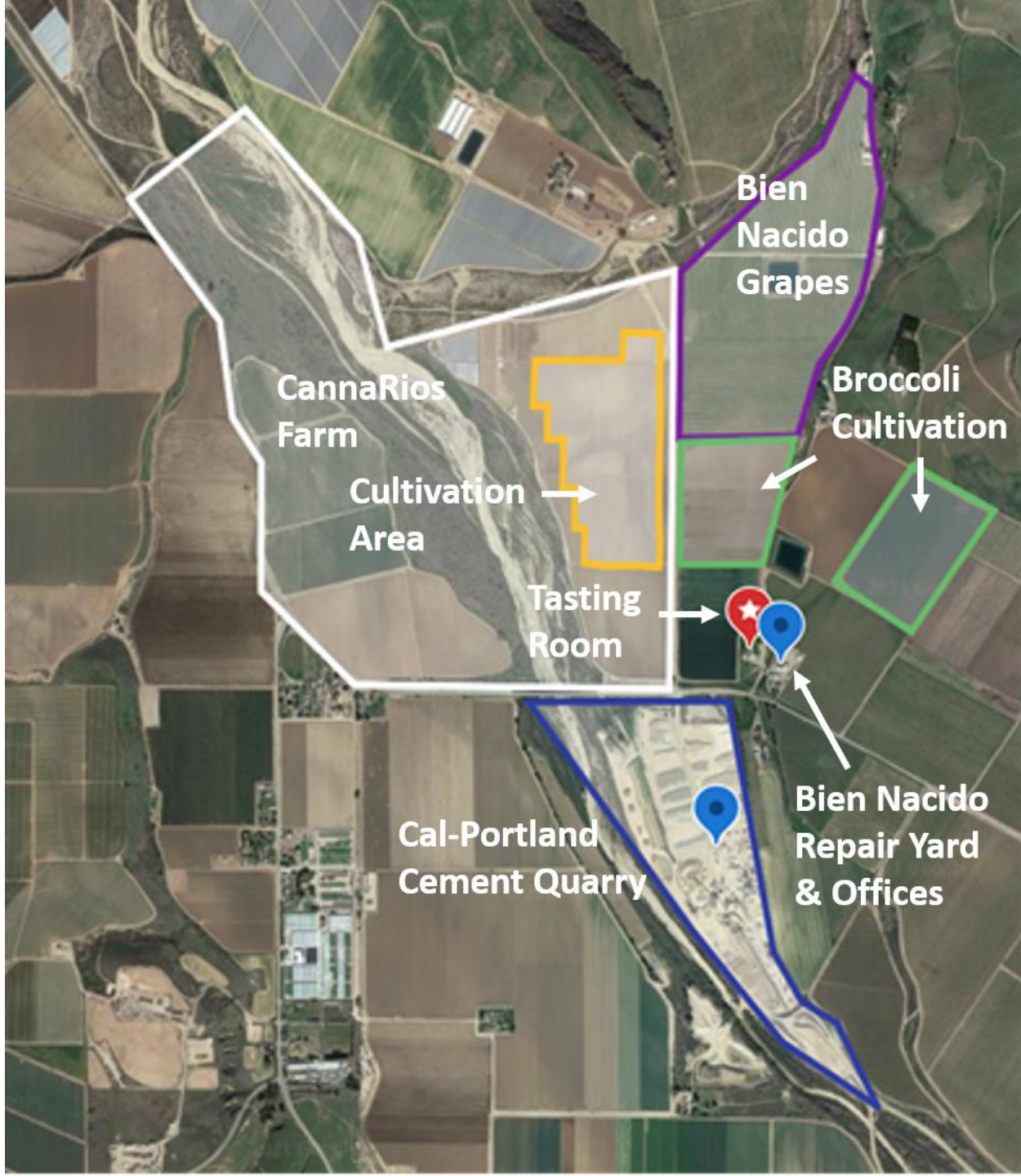


Agriculture is Agriculture



- Winegrapes and cannabis (and strawberries, lettuce, broccoli, honeybees, and livestock) can and do co-exist at this farm.
- Additional Chardonnay and Pinot Noir grapes will be planted adjacent to cannabis plants.
- Hemp and grapes proved compatible on a large scale; no terpene taint observed.
- Outdoor cannabis cultivation is a natural next step.





Bien Nacido Grapes

Cannarrios Farm
Cultivation Area

Broccoli Cultivation

Tasting Room

Cal-Portland Cement Quarry

Bien Nacido Repair Yard & Offices

Project Overview & Updates

- **Cultivation:** 46.29 acres of cannabis on a 431-acre parcel. Simply a switch in crop (hemp to cannabis) and footprint reduction.
- Moved cultivation **north**, away from proposed tasting room.
- **Harvests: Only 2** harvests per year.
- **No Processing onsite:** cannabis packed fresh and transferred offsite for processing within 24 hours of harvesting.
 - **Harvesting or Pruning is NOT trimming.**
 - Placing wet cannabis in large boxes is **NOT packaging.**
- Applicants own **a processing, manufacturing and distribution facility in King City**, less than 2 hrs. away.
 - Plants will be stored, dried, trimmed and processed in King City.
- **Landscape screening** (127,899 sq. feet) along the western, eastern, and southern Project boundaries.
- **Additional Grape Vines** will be planted adjacent to cannabis plants.
- **Family lives on-site.**

Project Cultivation Information

- Appellant mischaracterizes many aspects of cultivation operations.
- First, there will never be 46.29 contiguous acres of outdoor cultivation: the premises area includes **roads, rows and hoop houses**.
- **Cultivation Methods:** (1) Plant clones directly in field; (2) Prune (cut) big leaves 2-4 weeks prior to harvest—leave in field or dry for tilling into soil; (3) When flowers are ready, cut off large branches and colas in field; (4) Weigh product; (5) Place colas and branches into large Ag Boxes for transportation offsite.
- All plant waste generated at farm from pruning and harvesting will stay onsite.
- **No onsite processing:** Wet product will be boxed and loaded on trucks and transported to King City for processing.
- Total truck trips per harvest season is approximately 26 truck trips to King City, but in no case will be more than 2 truck trips per day.
- **King City Processing:** Plants will be dried, processed (extracted into oil or trimmed for flower), and packaged in King City.

WATER:

No Surface Water Diversion, Project Will Decrease Net Groundwater Demand & No Change to Cuyama River

- **Project's water source is groundwater.**
- To address Appellant's concerns, Canna Rios is no longer using Well #1, which was closer to the river and subject to a prior well sharing agreement.
- The 600-foot-deep Project Well (#2) is located 3050 feet from the Cuyama River and 2200 feet from the Sisquoc River.
- Well design does **not** divert surface water as determined by **2 experts**.
- Project will **reduce water demand footprint** over baseline historical use (hemp and row crops) by shrinking footprint of irrigated area and utilizing drip tape and other state-of-the-art irrigation methods.
- Project is compliant with the State Water Resources Control Board's ("State Board") Cannabis Cultivation Policy and well location will be reviewed by the State.
- Project setback at least **200 feet** from the Cuyama & Sisquoc Rivers. **Department of Fish and Wildlife** determined that **no LSA is needed**.
- Applicant does not divert from the Cuyama River, has **never modified the Cuyama River** and has never received a violation from County, or any State or Federal Agency.
- The County and **Department of Fish and Wildlife** inspected the entirety of the parcel, including the riverbed, and raised no concerns regarding Cuyama River modification.



AIR QUALITY:

Project's Air Quality Impacts Are Analyzed in the PEIR & Site Specific Studies Show Plant VOCs Will Not Increase Ozone

- Appellant claims the Project's cannabis plants will emit volatile organic compounds (VOCs), which will generate ozone in the atmosphere. However, the emissions caused by the Project's operation, including any VOCs emitted by the cannabis, are subsumed in the PEIR's analysis and findings.
- In an abundance of caution, the Project retained leading expert, **Dr. William Vizquete** to study the impacts of the VOCs emitted by the Project's cannabis plants and resulting air quality impacts.
- Based upon site specific information and the use of the Community Multiscale Air Quality model, the study confirmed that the Project's biogenic VOCs created by growing cannabis would **not increase ozone** in the Project vicinity.
- This area is NOx limited (a precursor to ozone). Adding more plant VOCs to the air will not increase ozone levels.

AIR QUALITY:

VOCs Are Analyzed in the PEIR & Site Specific Studies Show VOCs will Not Impact Grapes

- There has been no incidence of “terpene taint” in this County and Appellant provides no such evidence.
- In fact, 2018 and 2019 Bien Nacido & Runway Estate Wine grown from grapes adjacent to onsite hemp (with no buffers or landscape screening) was tested and showed NO terpenes present in the wine.
- All three Bien Nacido wines received accolades and multiple point ratings above 90 when hemp was densely grown next door.
- Canna Rios conducted a site-specific study to determine if the proposed Project cannabis plants could ever “taint” Bien Nacido’s grapes.
- Dr. Vizueté found even under a “worst” case scenario, it would take 234-2,339 continual days of cannabis strains that have eucalyptol (not all strains have eucalyptol) emitting at the highest rate (fully mature, ready to be harvested plant), without real world losses (such as photochemistry), to result in grape absorption of this monoterpene at the consumer rejection threshold value of 39.7 ug/kg.
- This study did not take into account terpene losses due to wind & sun.
- This Project will only have a max of 14 days/year of plants emitting eucalyptol at the highest rate and therefore cannot impact nearby grapes.

AIR QUALITY:
GHGs Are Analyzed in the PEIR &
Site Specific Studies Show GHGs will Not Exceed County Thresholds

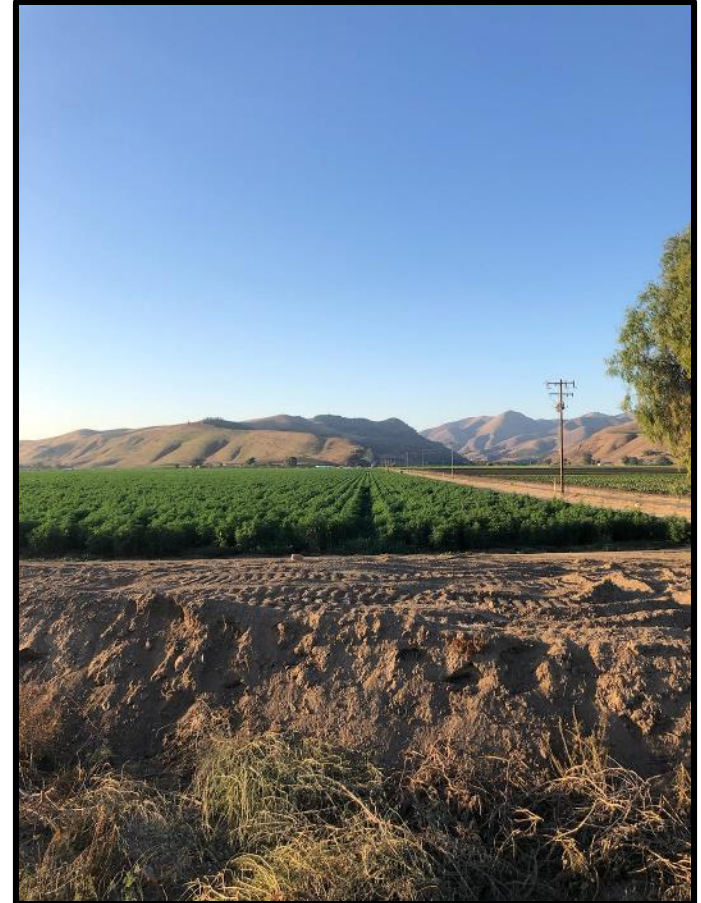
- Only a max of 2 truck trips per day during harvest.
- GHG emissions caused by the Project's operation, including transportation of employees and cannabis, are included in the PEIR's analysis and findings.
- In an abundance of caution, Canna Rios conducted a worst-case site-specific study to analyze emissions from truck trips (product) and vehicle (employee) trips.
- Average daily trip rate is fewer than the County's screening criteria for vehicle miles traveled.
- GHG emissions are significantly less than County's interim screening threshold of 300 MT CO₂e per year.

Project's Compost and Waste Areas Comply with All Applicable Laws

- Composting & mulching is a **beneficial practice** for soil health & environment
- Organically-grown plant waste will be re-used onsite; no runoff and no impact to rivers or species (including steelhead).
- No hot composting onsite, only “drying” of brown waste and/or tilling back into soil.
- The Waste and Compost Area Comply with the Water Boards Waste Discharge Requirements (no discharge to rivers).
- Compost Area is not subject to the requirements for a Solid Waste or Composting Facility.
- The compost area and property is flat and has a sufficient setback from the Santa Maria River—205 feet from the top of bank.
- Compost Area on the site is part of an agricultural operation and does not exceed the 1 ton/year threshold (if that threshold were to apply).
- The CARB document relied on by Appellant states: “Emissions from the composting, drying, or land application of organic wastes generated on farms and used to fertilize farm crops, as well as backyard composting and unintentional composting, are not addressed in this methodology.”
- Compost area complies with the Clean Water Act.

Project is designed to avoid adverse odor impacts to neighbors

- No drying, storing, trimming or processing of cannabis onsite so no odor abatement required.
- Cultivation is **seasonal**: 2 crops year.
- Substantial **setbacks** from property lines.
- No **operational** tasting room at Bien Nacido's neighboring property.
- **Proposed Tasting room** is over 1000 feet away; **existing tasting room** is in downtown Santa Barbara (J. Wilkes) and Los Olivos.
- Ample **landscape screening** between cultivation & Appellant's property.
- Have grown and dried up to **350 acres of hemp** since 2018 with no odor complaints.
- Cannabis **terpenes** do not pose human health risks or air quality impacts.



Prior Hemp Crop

Project Highlights

- Owned and managed by a **multi-generational farming family**, committed to giving back to Santa Maria community.
- **Green and sustainable** – uses no chemical pesticides & strict organic growing practices.
- Utilizes state-of-the-art **efficient irrigation technology**.
- Located on a **flat, historically** cultivated parcel.
- Setback at least **200 feet** from the Cuyama & Sisquoc Rivers.
- Approx. 5-6 miles from Santa Maria.
- Received numerous letters of support.
- **Cannabis cultivation = crop diversification.**

THANK YOU. QUESTIONS?
