

COUNTY OF LAKE

PL-25-112: Environmental Impact Report (EIR 24-01), Development Agreement (DA 24-01), Zoning Ordinance Amendment (AM 24-01), General Plan Amendment (GPAP 24-01) (map), General Plan Amendment (GPAP 24-02) (text), Rezone (RZ 24-01), General Plan of Development (GPD 24-01), Use Permit (UP 24-05), Rezone (RZ 24-02), Use Permit (UP 24-08)

**LOTUSLAND INVESTMENT HOLDINGS, INC.
GUENOC VALLEY MIXED USE PLANNED DEVELOPMENT PROJECT
DRAFT CONDITIONS OF APPROVAL**

Expires if not used by: August 8, 2027

There is hereby granted to Lotusland Investment Holdings, Inc. PL-25-112: Environmental Impact Report (EIR 24-01), Development Agreement (DA 24-01), Zoning Ordinance Amendment (AM 24-01), General Plan Amendment (GPAP 24-01) (map), General Plan Amendment (GPAP 24-02) (text), Rezone (RZ 24-01), General Plan of Development (GPD 24-01), Use Permit (UP 24-05), Rezone (RZ 24-02), Use Permit (UP 24-08) to allow a Mixed Use Planned Development Project comprised of 82 assessor parcels (69 legal parcels), further described in Exhibit B-1 to the Guenoc Valley Development Agreement, the Middletown Housing Site located at 21000 Santa Clara Avenue in Middletown, further described as assessor parcel number 014-380-09, and the Butts Canyon Property, further described as assessor parcel numbers 014-430-07, -09 subject to the following terms and conditions.

A. GENERAL CONDITIONS

1. The use hereby permitted shall substantially conform to the project submittal and application packet, site plans and all requirements in the environmental document and any conditions of approval imposed by the review authority to allow the Guenoc Valley Mixed Use Planned Development Project. The Community Development Department Director may approve, in writing, minor modifications that do not result in increased environmental impacts.
2. This permit does not abridge or supersede the regulatory powers or permit requirements of any federal, state, local agency, special district, or department which may retain a regulatory or advisory function as specified by statute or ordinance. The applicant shall obtain permits as may be required from each agency.
3. The permit holder is responsible for ensuring that all project workers are informed of understand and agree to abide by the approved plans and project conditions.
4. Prior to construction, the applicant shall submit and obtain the necessary Building Permits from the Community Development Department to develop the resort. Once a complete Building Permit Application Packet has been submitted, the Planning

Applicant Initials: _____

Date: _____

Department shall perform a Zoning Clearance (ZC) to ensure the proposed use has met all necessary regulations and adheres to the approved project and shall conduct the necessary site inspections.

5. All construction documents shall be reviewed and approved by a California-Licensed Professional Civil Engineer or Architect, and be constructed to pertinent code-compliant specifications, subject to review and approval of the Community Development Department.
6. The permit holder shall comply and maintain necessary permits from the Lake County Environmental Health Department regarding the California Retail Food Code and Health and Safety Regulations. The applicant shall contact the Department of Environmental Health at (707) 263-1163 for further information.
7. Prior to operation of any food facility, the permit holder shall submit three sets of complete and supporting documents to the Division of Environmental Health for review and approval, including maintaining the necessary permits. The permit holder shall submit a copy of said permit to the Community Development Department within 30 days of obtaining such permit.
8. Prior to occupancy, all structure(s) shall meet accessibility standards. Please contact the Community Development Department - Building Division for more information.
9. Prior to occupancy, all accessible compliant parking areas, routes of travel, building access and/or bathrooms shall meet all California Building Code Requirements.
10. Prior to occupancy, all employees shall have access to restrooms and hand-wash stations. The restrooms and hand washing stations shall meet all accessibility requirements.
11. Prior to building permits, the permit holder shall adhere to all requirements of Chapter 13 of the Lake County Code, including but not limited to adherence with the hazardous vegetation requirements, maintain vegetation in accordance with the Specific Plan of Development and the Wildfire Prevention Plan, and adhere to all requirements of the Guenoc Valley District Zoning Ordinance.
12. The proper storage of equipment, removal of litter and waste, and cutting of weeds or grass shall not constitute a breeding place or harborage for pests.
13. Any outdoor storage shall be maintained in an orderly manner and shall not create a fire, safety, health, and/or sanitary hazard.
14. This use permit approval shall not become effective, operative, vested or final until the applicant submits the applicable California Department of Fish & Wildlife filing

Applicant Initials: _____
Date: _____

fees as required by California Environmental Quality Act statute, Section 21089(b) and Fish and Game Code Section 711.4. Any remaining such fees should be submitted to the Community Development Department within five days of approval of the project.

15. In cases of conflict between permit terms and measures presented herein, those permit terms and conditions shall supersede those presented within the Environmental Impact Report.
16. The applicant shall include all of these requirements in construction contracts. The project shall comply with Section 41.7 of the Lake County Zoning Ordinance that specifies that all uses involving the use or storage of combustible and explosive, caustic or otherwise hazardous materials shall comply with all applicable local, state and federal safety standards and shall be provided with adequate safety devices against the hazard of fire and explosion, and adequate firefighting and fire suppression equipment.
17. All equipment shall be maintained and operated in a manner that minimizes any spill or leak of hazardous materials. Hazardous materials and contaminated soil shall be stored, transported, and disposed of consistent with applicable local, state and federal regulations.
18. All hazardous waste shall not be disposed of on-site without review or permits from Environmental Health Division, the California Regional Water Control Board, and/or the California Air Resources Board. Collected hazardous or toxic waste materials shall be recycled or disposed of through a registered waste hauler to an approved site legally authorized to accept such material.
19. The storage of potentially hazardous materials shall be located at least 100 feet from any existing water well. These materials shall not be allowed to leak onto the ground or contaminate surface waters. Collected hazardous or toxic materials shall be recycled or disposed of through a registered waste hauler to an approved site legally authorized to accept such materials.
20. If the operation includes storage of hazardous materials equal to or greater than 55 gallons of a liquid, 500 pounds of a solid, or 200 cubic feet of compressed gas, then a Hazardous Materials Inventory Disclosure Statement/Business Plan shall be submitted and maintained in compliance with requirements of Lake County Environmental Health Division. Industrial waste shall not be disposed of on site without review or permit from Lake County Environmental Health Division or the California Regional Water Quality Control Board. The permit holder shall comply with petroleum fuel storage tank regulations if fuel is to be stored on site.
21. Any spills of oils, fluids, fuel, concrete, or other hazardous construction material shall be immediately cleaned up. All equipment and materials shall be stored in the

staging areas away from the creek; vehicles and equipment shall receive proper and timely maintenance.

22. The project design shall incorporate appropriate Best Management Practices (BMP) consistent with County and State storm water drainage regulations to prevent or reduce discharge of all construction or post-construction pollutants and hazardous materials offsite or into the creek. The site shall be monitored during the rainy season (October 15-April 15) and erosion controls maintained.
23. Vehicles and equipment shall be maintained and operated in a manner to prevent hot surfaces, sparks or any other heat sources from igniting grasses, brush or other highly combustible material.
24. Hazardous waste (including industrial waste) must be handled according to all Hazardous Waste Control and Generator regulations. Waste shall not be disposed of on-site without review or permits from Environmental Health Department, the California Regional Water Control Board, and/or the Air Quality Board. Collected hazardous or toxic waste materials shall be recycled or disposed of through a registered waste hauler to an approved site legally authorized to accept such material. The permit holder shall comply with petroleum fuel storage tank regulations if fuel is to be stored on site.
25. Industrial Wastewater or any other classification of waste shall not be disposed on-site without review or permits from the Environmental Health Division, the Regional Water Quality Control Board and/or the California Air Resources Board.
26. Collected hazardous or toxic waste materials shall be recycled or disposed of through a registered waste hauler to an approved site legally authorized to accept such materials.
27. Any waste detrimental to a public sewer system and/or a sewage treatment plant, shall not be discharged into a public sewer system unless they have been pretreated to the degree required Lake County Special Districts. The permit holder may contact the Lake County Special District at (707) 263-0119 for specifics.
28. All employees and staff shall be properly trained in and wear Personnel Protective Equipment in accordance with all federal, state and local regulations regarding handling any biological and chemical agents.
29. Prior to any grading activities and/or road building, the permit holder shall submit and obtain a grading permit from the Community Development Department.
30. The project design shall incorporate appropriate BMPs consistent with County and State Storm Water Drainage Regulations to the maximum extent practicable. The project design shall incorporate BMPs to the maximum extent practicable to prevent or reduce discharge of all construction or post-construction pollutants into

Applicant Initials: _____
Date: _____

the County storm drainage system. BMPs typically include scheduling of activities, erosion and sediment control, operation and maintenance procedures and other measures in accordance with Chapters 29 and 30 of the Lake County Code. Issuance of an initial grading permit for temporary mass grading activities only, and not for the construction of permanent structures or hardscape surfaces, may omit measures for post-construction BMPs and defer the final design and implementation of such measures to subsequent grading or building permits that include final structures or surfaces. All mass grading activities must, however, be accompanied by temporary erosion and sediment control measures included in the approved project Storm Water Pollution Protection Plan.

31. A financial contribution to the Department of Public Works Road Division shall be paid for impacts to the segment of Butts Canyon Road and the beginning of this subdivision. Alternatively, the developer may provide alternate mitigation for impacts to this segment of road with an asphalt overlay, following all necessary preparation work (digouts, patching, etc.).
32. Prior to the issuance of building permits, the permit holder shall obtain all necessary encroachment permits from the Department of Public Works and/or Caltrans regarding road improvements, development, and/or any work within a right-of-way. The applicant shall submit a copy of said permit to the Community Development Department within 30 days of obtaining such permit.
33. Any new fill related to road construction shall be compacted consistent with the requirements of the Department of Public Works, or the project's geotechnical engineering recommendations, whichever is more stringent. The source of any new fill shall be from a location consistent with the requirements of the Lake County Zoning Ordinance.
34. Devices which generate electromagnetic interference shall be so operated as not to cause interference with any activity carried on beyond the boundary line of the property upon which the device is located. Public utilities shall comply with all applicable state and federal regulations.
35. Setbacks are incorporated into the Design Guidelines and shall be administered. The County will review compliance prior to issuance of building permits. The applicant shall include all of these requirements in construction contracts.
36. The permit holder shall permit the County of Lake or representative(s) or designee(s) to make periodic and/or annual inspections at any reasonable time deemed necessary to assure that the activity being performed under authority of this permit is in accordance with the terms and conditions prescribed herein.
37. This permit may be revoked if the use for which the permit was granted is conducted as to be detrimental to the public health, safety, or welfare or as to be a nuisance.

38. Prior to issuance of building permits, the permit holder shall pay the Annual Compliance Monitoring Fee in accordance with the County's Master Fee Schedule to the Community Development Department until all conditions of approval are met.
39. Prior to building permit final, the permit holder shall submit a summary response in writing establishing compliance with the approved conditions of approval, including dates of compliance and referencing documents and/or other evidence of compliance to the Community Development Department for review and approval, including scheduling an inspection with the Community Development Department to ensure all conditions of approval have been met.
40. This permit shall be valid for an indefinite period of time unless it expires or is revoked pursuant to the terms of this permit and/or Chapter 21 of the Lake County Code.
41. This permit does not abridge or supersede the regulatory powers or permit requirements of any federal, state, local agency, special district or department which may retain a regulatory or advisory function as specified by statute or ordinance. The applicant shall obtain permits as may be required from each agency.
42. Prior to construction, the applicant shall submit and obtain the necessary building permits from the Community Development Department to develop the resort. Once a complete building permit application packet has been submitted, the planning department would perform a zoning clearance to ensure the proposed use has met all necessary regulations and adheres to the approved project and would conduct the necessary site inspections.
43. All construction shall be reviewed and approved by a California licensed professional civil engineer or architect, and be constructed to those specifications, subject to review and approval of the Community Development Department.
44. Any outdoor storage shall be maintained in an orderly manner and shall not create a fire, safety, health and/or sanitary hazard.
45. Centerline well monuments shall be set at all road intersections and at the beginning and ending of all public roadway curves. All other subdivision boundary, lot corner and right-of-way points shall be monumented, consistent with Section 17-29 of the Lake County Subdivision Ordinance, and subject to approval by the Lake County Surveyor.
46. All existing and proposed easements shall be shown and clearly labeled on final maps, and there shall be indicated on the map the acreage or square footage for each parcel created, being shown to the nearest 0.01 of an acre. Public utility

Applicant Initials: _____
Date: _____

easements shall be dedicated to encompass any electrical and/or communication facilities that do not lie within existing easements.

47. A final parcel shall not be recorded if development has occurred on the property that would be inconsistent with the Lake County Zoning Ordinance and General Plan, or other applicable code should the map be recorded.
48. The configuration of final maps may include minor amendments, provided that all proposed parcels comply with the Zoning Ordinance, General Plan, and the modification does not result in any increased environmental impact. Any modification shall be subject to approval by the Community Development Director and the Department of Public Works.
49. Prior to recording the final maps, all taxes due shall be paid, and all estimated taxes for the subject property shall be pre-paid to the County Tax Collector.
50. The subdivision shall comply with all requirements of the Lake County Subdivision Ordinance and the State Subdivision Map Act.
51. Easements for fire breaks, wildlife corridors, open spaces, etc., will be created and shown on the final map or will be described and recorded by separate document concurrently with the final map. Deed restrictions on residential parcels will either be described and recorded by separate document or contained within the recorded Covenants, Conditions, and Restrictions (CC&Rs), which will be recorded concurrently with the final map.
52. Preservation of sensitive habitat for the purposes of mitigation that occurs within deed-restricted open space shall be identified within the deed restriction and shall prohibit the development of that area identified for preservation. Preservation within deed restrictions shall be preserved in perpetuity as a condition of the deed.
53. All building envelopes, setbacks, and riparian areas shall be shown on a separate map sheet and recorded concurrently with the final map. Deed restrictions shall be recorded for areas outside of building envelopes.
54. Drainage easements shall be shown on the final maps and offered for dedication. Maintenance of the drainage facilities shall be covered under CC&Rs or other acceptable agreement.
55. Prior to any development and/or building permit submittal, Engineered Drainage Plans and Calculations, including an Operation and Maintenance Plan for proposed post-construction BMP shall be submitted to the Lake County Water Resources Department for review and approval. The installed BMPs shall be maintained for the life of the project.

56. All new construction shall incorporate BMPs to the maximum extent practicable to prevent or reduce discharge of all construction or post construction pollutants into the County storm drainage system and Clear Lake. Typical BMPs include scheduling of activities, temporary erosion and sediment control, operation and maintenance procedures and other measures in accordance with Chapter 29 and 30 of the Lake County Code. The applicant shall contact the Water Resource Department at (707) 263-2344 for further details.
57. Prior to recordation of the final maps, provisions for post construction BMPs maintenance shall be addressed through CC&Rs or other appropriate mechanism for the subdivision. An operation and maintenance plan for the post construction BMPs shall be approved by the Water Resources Division of the Department of Public Works.
58. For improvements that are within public right-of-way, improvement plans and a cost estimate prepared by a registered civil engineer shall be submitted to the Department of Public Works. Improvements shall be installed as shown on the approved improvement plans. The subdivider shall submit a stipulated deposit of 2% of the engineers cost estimates to the Department of Public Works prior to plan review.
59. Prior to the recordation of the final maps, the subdivider shall submit plans for the location of common postal facilities to the Middletown Postmaster and Department of Public Works for approval, prior to installation. Any additional right-of-way necessary for the postal facilities shall be irrevocably offered for dedication to the County.
60. Prior to recordation of the final maps, the interior roads shall be designed and constructed in accordance with the standards compiled and stated within the project's Development Agreement, which references Lake County Road, CalFire and American Association of State Highway and Transportation Officials standards. Any revisions of these standards will require approval from the Department of Public Works through alternative design standards or a "deviation".
61. The entire road network within the Guenoc Valley shall be irrevocably offered for dedication on the final maps as a public roadway and public utility easement. All roadways shall be named, subject to the approval of the County Surveyor. The roadway and utility easements to remain private to the subdivision will be delineated on the final maps and addressed through the offers of dedications.
62. Any cuts and fills necessary for the construction of the publicly dedicated roadways that lie outside the rights-of-way provided shall be offered for dedication as slope easements.

63. Prior to recording the final maps, the permit holder shall pay all Improvement Fees. For further information, please contact the Lake County Public Services at (707) 262-1618.

B. MITIGATION MONITORING AND REPORTING PROGRAM

1. The proposed project shall implement and substantially comply with all mitigation measures, project commitments, and settlement agreement terms included in the Updated Mitigation Monitoring and Reporting Program approved by the Planning Commission on August 8, 2025.

C. TIMING & MITIGATION MONITORING

1. The applicant shall permit the County of Lake or representative(s) or designee(s) to make periodic and/or annual inspections at any reasonable time deemed necessary to assure that the activity is performed under the authority of this permit is under the terms and conditions prescribed herein.
2. This permit shall be null and void if not used by August 8, 2027, or if the use is abandoned for two years. Once activated, this permit is valid for 10 years unless the use is discontinued for two years or if this permit is revoked due to non-compliance with these conditions.
3. Prior to this use permit becoming valid, effective, or operative, the applicant shall coordinate with the Community Development Department and enter into an Indemnification Agreement with the County. The Indemnification Agreement holds harmless the County and its officers, agents, and employees from actions or claims of any description brought on account of any injury or damages sustained, by any person or property resulting from the issuance of the permit and the conduct of the activities authorized under said permit. 4. The site shall be restored to its original state within six (6) months of the expiration of the use permit, termination of use, or abandonment of the site. The applicant shall enter into a Site Restoration Agreement subject to the approval of the Community Development Director or their designee.
4. Prior to Operation, the applicant(s) shall submit to the Lake County Community Development Department a summary response in writing establishing compliance with these conditions of approval, as well as documenting their compliance with all obligations of the Property Management Plan, including dates of compliance and referencing documents or other evidence of compliance.
5. The applicant shall contact the Community Development Department to schedule an annual Compliance Monitoring Inspection during the cultivation season. Prior to schedule said inspection, the applicant shall pay the established compliance monitor fee approved by the Board of Supervisors.

Applicant Initials: _____
Date: _____

6. If there are no violations of the County permit or state license during the first five years, the inspection frequency may be reduced by the Director to not less than once every five years.
7. The applicant shall submit a Performance Review Report each year from their initial date of approval by the review authority on August 8, 2025, for review and approval by the Lake County Planning Commission. The Planning Commission may delegate the review of the Performance Review Report to the Community Development Director at the time of the initial hearing or at any time thereafter.
 - Performance Review Report shall identify the effectiveness of the approved Use Permit, Operations Manual, Operating Standards, and Conditions of Approval, as well as the identification and implementation of additional procedures deemed necessary. In the event the Planning Commission identifies issues with the Annual Performance Review Report, it may lead to revocation of the approved use, and/or the Planning Commission may require the submittal of more frequent Performance Review Reports. Additionally, the Performance Review Report shall include the following:
 - A copy of the results from said inspection shall be provided to the applicant for inclusion in their Performance Review Report.
 - Compliance monitoring fees pursuant to the County's adopted master fee schedule shall be paid by the permittee and accompany the "Performance Review Report" for costs associated with the review of the report by County staff.
 - Non-compliance by the applicant in allowing the inspection by the Community Development Department or refusal to pay the required fees or noncompliance in submitting the "Annual Performance Review Report" for review by the Planning Commission shall be deemed grounds for a revocation of the development permit or use permit and subject the holder of the permit(s) to the penalties outlined in this Code.
 - A record of all complaints and resolution of complaints shall be kept. Said record shall include a tally and summary of the issues and be provided.
 - All wells shall be monitored for monthly usage, and a report by month shall be included within the Annual Report.
 - The results of the previous year's Annual Compliance Monitoring Inspection shall be included in the following year's Performance Review Report.
 - If a violation is determined upon inspection, the applicant shall correct said violation is the amount determined by the Community Development Director or their designee. An additional, site inspection(s) may be required to confirm that said violation(s) have been corrected.
8. The applicant shall submit an application for renewal of the authorized use to the Lake County Community Development Department a minimum of 180 days prior to the expiration date of said use. Failure to apply for renewal by August 8, 2035,

Applicant Initials: _____
Date: _____

may result in the expiration of the permits. The applicant shall submit the required application, associated fees, and the following additional information which may include but is not limited to:

- A copy of all licenses, permits, and conditions of such licenses or permits related to the project from state agencies as appropriate including, but not limited to the Department of Cannabis Control, Department of Pesticide Regulation, Department of Fish and Wildlife, The State Water Resources Control Board, Board of Forestry and Fire Protection, Central Valley or North Coast Regional Water Quality Control Board, and the Department of Public Health.
- A copy of all reports provided by the County and State agencies as determined by the Director.
- A list of all employees on the premises during the past year and a copy of the background checks certification for each individual.
- Documentation that the applicant is still qualified to be an applicant.
- Any proposed changes to the use permit or how the site will be operated.
- Payment of all fees as established by resolution by the Board of Supervisors.

9. This permit may be revoked if the use for which the permit was granted is concluded to be detrimental to public health, safety, or welfare or as to be a nuisance. This permit shall be valid until it expires or is revoked pursuant to the terms of this permit and/or Chapter 21 of the Lake County Code.

Mireya G. Turner, Director
COMMUNITY DEVELOPMENT DEPARTMENT

Prepared by: LH

by: _____
Danae LoDolce, Office Assistant III

ACCEPTANCE

I have read and understood the foregoing Major Use Permits and agree to each term and condition thereof.

Date: _____

Applicant or Authorized Agent Signature

Printed Name of Authorized Agent

Applicant Initials: _____
Date: _____