



COUNTY OF LAKE
COMMUNITY DEVELOPMENT DEPARTMENT
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Item #6a
9:05 a.m.
October 23, 2025

STAFF REPORT

TO: Planning Commission

FROM: Mireya G. Turner, Director
Prepared by: Mary Claybon, Senior Planner

DATE: October 23, 2025

SUBJECT: Consideration of proposed Major Use Permit (PL-25-48, UP 25-03) and CEQA Categorical Exemption (CE 25-03) for Esther Formula USA Corporation to amend Major Use Permit (UP 19-47) to discontinue the permitted Commercial Cannabis Manufacturing and Distribution and commence Processing, Manufacturing, and Distribution of Dietary Supplements at property located at 4615 Work Right Circle, Lakeport, CA (APN 008-032-51)

ATTACHMENTS:

1. Site Plans
2. Draft Conditions of Approval
3. Esther Formula USA Business Plan
4. Waste Treatment System Overview
5. Agency Comments
6. Tribal Comments
7. Public Comments

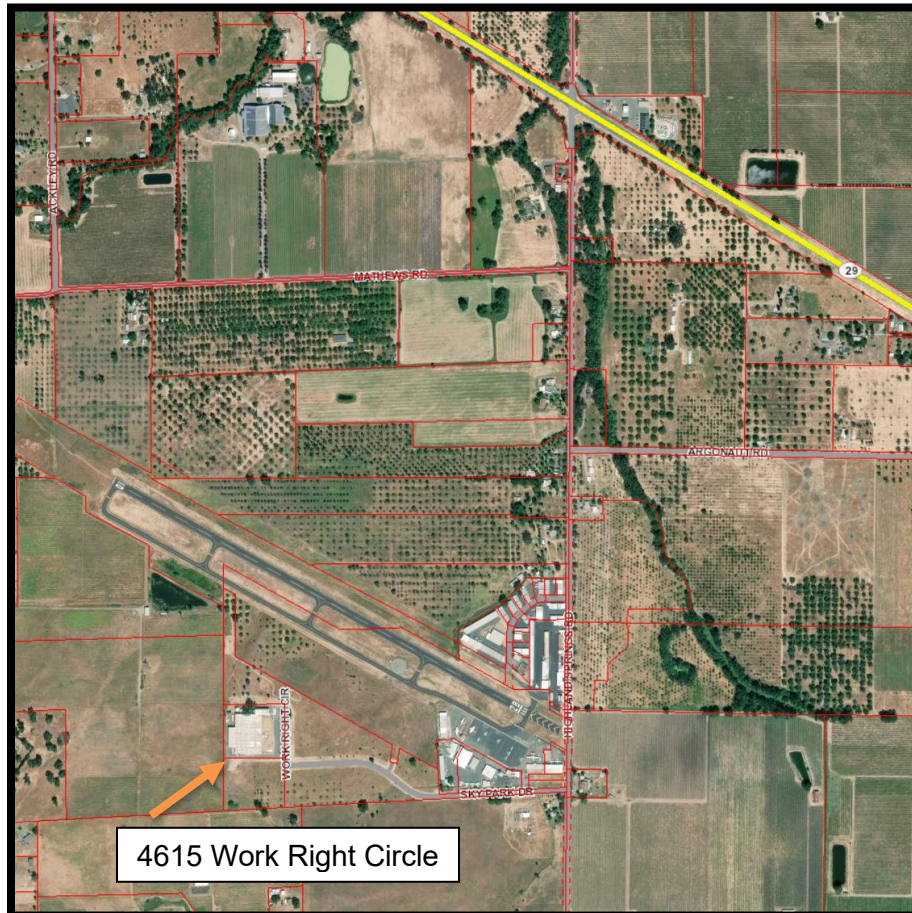
EXECUTIVE SUMMARY

The applicant, Esther Formula USA Corporation, is proposing an amendment for Major Use Permit (PL-25-48, UP 25-03) to the existing Major Use Permit (UP 19-47) to discontinue the approved use of commercial cannabis manufacturing and distribution and to commence processing, manufacturing, and distribution of dietary supplements including orally dissolving film (ODF).

The project site was developed and operated as a shower door assembly plant by Work Right Products, Inc. under approved Major Use Permit (90-1), Parcel Map (PM 90-2) and Initial Study IS (90-3). Use Permit (UP 92-5) and Initial Study (IS 92-16) allowed for the modification to building elevations. The business included 105 employees. When the business closed, the original use permit expired due to inactivity. More recently, Major Use Permit (UP 19-47) was approved on April 22, 2021, for Commercial Cannabis manufacturing, processing, and distribution with 13 employees. The project site was sold in 2022 to Esther Formula USA Corporation and is currently operating under existing Major Use Permit (UP 19-47) which was transferred to the new owners with the purchase of the property on June 27, 2022. The amendment of the major use permit will not include

Commercial Cannabis uses; however, the incorporation of cannabidiol (CBD, a nonpsychoactive compound derived from hemp) products within the product line is proposed. CBD derived from hemp is not regulated by the County of Lake, rather the manufacturers are required to register with the California Department of Public Health for testing and labeling requirements of CBD products.

FIGURE 1 – VICINITY MAP



Source: Lake County GIS

PROJECT DESCRIPTION

<u>Project Title:</u>	Esther Formula USA Corporation
<u>Permit Number:</u>	PL-25-48/UP 25-03; CE 25-03
<u>Lead Agency:</u>	County of Lake
<u>Applicant:</u>	Esther Formula USA Corporation
<u>Owner:</u>	Esther Formula USA
<u>Project Location:</u>	4615 Work Right Circle, Lakeport, CA 95453

Parcel Number: 008-032-51

Parcel Size: 4.00 acres

General Plan Designation: Industrial I

Zoning Designation: “PDC” Planned Development Commercial – “DR”
Design Review – “AA” Airport Approach

Flood Zone: Not Mapped

Natural Hazards: High Fire Hazard Severity Zone

Existing Facilities:

- 67,243 sq. ft. building with office space and restrooms
- Loading dock
- Parking lot with 93 spaces (including four ADA spaces)
- Security system
- Business signage
- Waste disposal containers
- Groundwater well
- Septic system

PROJECT PROPOSAL

The four-acre project site is situated at 4615 Work Right Circle, within the unincorporated county area south of Lakeport. Access to Work Right Circle is available via Sky Park Drive, with both roads maintained by the county. The roadway leading to the project parcel is fully paved and equipped with stormwater drainage and sewer systems designed to prevent roadway runoff from impacting surrounding public waterways. All necessary infrastructure is in place, and no additional development or expansion is planned.

An estimated 67,243 gallons of water is projected to be utilized annually for processing, waste management, and drinking water purposes. The estimated annual electricity consumption ranges from approximately 78,000 to 87,000 kilowatt-hours (kWh) per day. A Waste Treatment System Overview, including the Septic System Layout, has been prepared by Thomas Hunt Civil Engineering (Attachment 4). The system includes a primary treatment septic tank with a capacity of 4,800 gallons, along with several additional tanks within the system.

Standard sanitation procedures will involve bi-weekly collection of waste, debris, weed abatement materials, and discarded items. All sanitation, cleaning, and waste removal activities will be conducted in compliance with applicable local and state laws and regulations. Currently, there are two roll-off dumpsters with lids available on-site for waste disposal. Additionally, recyclable materials will be separated from solid waste, stored in designated bins, and regularly transported to the Lake County Transfer and Recycling facility in Lakeport.

[illegible]

The proposed project involves establishing a dietary supplement manufacturing business, specializing in oral dissolving film (ODF) formulations. The product will incorporate ingredients such as cannabidiol powder, pullulan, Hydroxypropyl Methylcellulose AN15, Glycerin, sweet agave powder, medium-chain triglycerides powder, Calcium Carboxymethyl Cellulose, Vitamin E 50% powder, propylene glycol, Beta-Cyclodextrin, Orange Juice Powder, Lemon Juice Powder, Citric Acid (USA), potato starch, mixed green, yellow green powder, aspartame, and Natural Lemon Flavor (liquid).

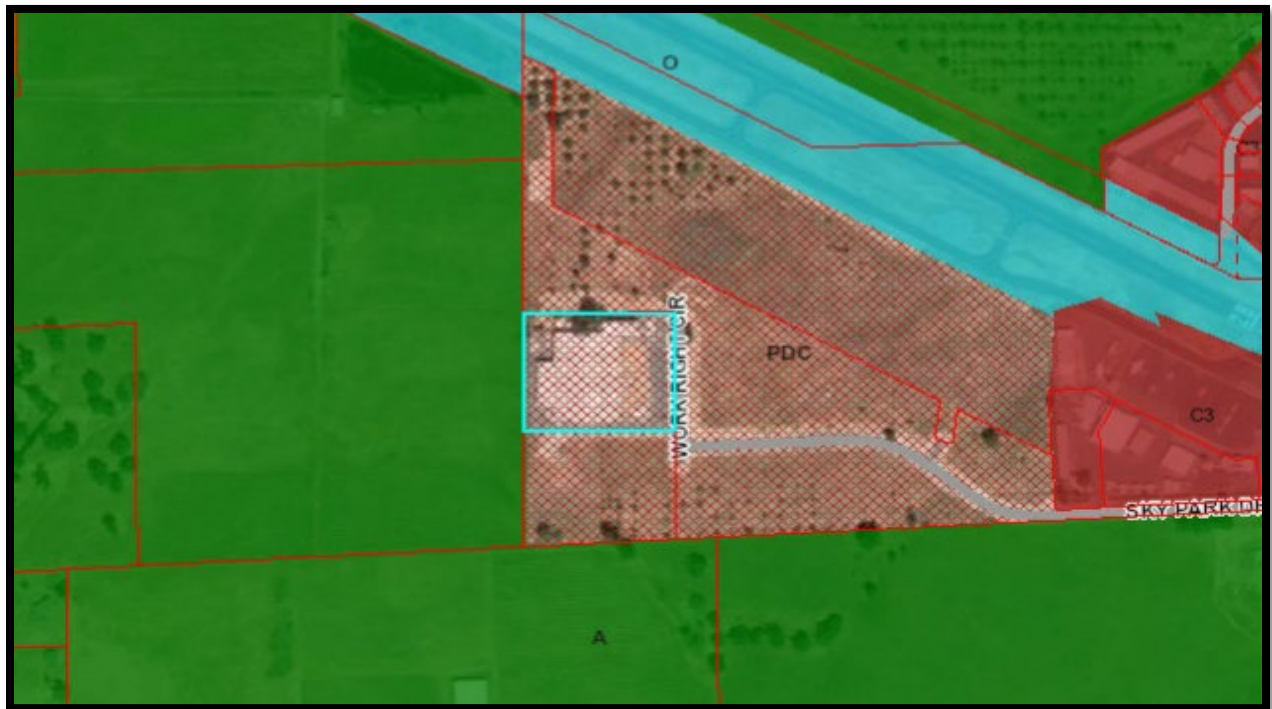
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PROJECT SETTING

Surrounding Zoning Designations and Land Uses

North:	“PDC” Planned Development Commercial - “DR” Design Review - “AA” Airport Approach. Undeveloped land.
South:	“PDC” Planned Development Commercial - “DR” Design Review - “AA” Airport Approach. Undeveloped land.
East:	“PDC” Planned Development Commercial - “DR” Design Review - “AA” Airport Approach. Undeveloped land.
West:	“A” Agriculture – “WW” Waterway – “AA” Airport Approach. Agricultural lands allow and row crops.

Figure 3 – Zoning Map



Source: Lake County GIS Portal, 2025.

PROJECT ANALYSIS

General Plan Conformance

The General Plan designation for the subject site is Industrial. In reference to the Lake County General Plan (2008), Chapter 3 – Land Use, the Industrial category provides for a range of manufacturing, the processing of natural resources, research facilities and high-tech campuses, and “heavy” commercial activities. The intent is to encourage sound industrial/heavy commercial development by designating appropriate areas for such uses

including geothermal service yards, large construction/contractor yards, warehouses, asphalt batch plants, mills, lumber yards, boat building, welding and fabrication shops. As proposed, the project would conform with the following goals and policies of the Lake County 2008 General Plan.

Figure 4 – General Plan Map



Source: Lake County GIS Portal, 2025

Chapter 3 Land Uses

Goal LU-1: *“To encourage the overall economic and social growth of the County while maintaining its quality-of-life standards.”*

- Policy LU-1.3: Prevent Incompatible Uses. The County shall prevent the intrusion of new incompatible land uses into existing community areas.

As illustrated in Figure 4, the proposed project site is bordered by areas designated as Industrial according to the General Plan to the north, east, and south. Lampson Field Airport is located to the east of the site, with the runway approximately 570 feet from the project's parcel boundary. The existing manufacturing use on the site has received prior approval. The intended use is expected to remain compatible with the neighboring businesses in the vicinity.

Goal LU-5: *“To designate adequate land for, and promote development of, industrial uses to meet the present and future needs of Lake County residents for jobs and to maintain economic vitality.”*

- Policy LU-5.1: Industrial Developments. The County shall encourage a wide range of industrial development activities in appropriate locations to promote economic development, employment opportunities, and provide a sound tax base.

Under the existing Major Use Permit UP 19-47 approved on April 22, 2021, there were 13 full time employees who were employed at the site. As proposed, the project would create up to 7 additional jobs for a total of 20 employee positions.

Goal LU-6: *“To maintain a healthy and diverse local economy that meets the present and future employment, shopping, recreational, and service needs of Lake County residents”.*

- Policy LU 6.1: The County shall actively promote the development of a diversified economic base by continuing to promote agriculture, recreation services and commerce and by expanding its efforts to encourage industrial and non-industrial corporate developments, and the developments of geothermal resources.

This amendment application for the industrial processing and manufacturing of ODF is in accordance with this policy to promote the development of industrial corporate projects, including the proposed initiative.

Chapter 7 – Health and Safety

Goal HS-1: To ensure the County is protected from injury and damage resulting from natural catastrophes, man-made events, and hazardous conditions.

- Policy HS-1.3: Building and Fire Codes: The County shall ensure all buildings for human habitation are designed in compliance with the Uniform Building Code and other requirements based on risk (e.g., seismic hazards, flooding), type of occupancy, and location (e.g., floodplain, fault).

The applicant does not propose any new construction at the existing facility. The county-maintained access roads to the site meet Public Resource Code 4290, 4291 emergency road standards for commercial operations to allow adequate access for wildfire suppression vehicles and EMT access.

Goal HS-7: To minimize the possibility of the loss of life, injury, or damage to property as a result of urban and wildland fire hazards.

- Policy HS-7.6 Development Guidelines: Developers and/or subsequent owners must assume responsibility for ongoing fire prevention maintenance activities for the project, including: abatement of fuel buildup, fire break maintenance, access provision, and provision of adequate water supply to meet fire flow.

As a Condition of Approval, the site must be maintained in compliance with PRC 4291 Defensible Space requirements for hazardous vegetation and shall include a minimum of 100 feet of defensible space around the commercial facility.

Kelseyville Area Plan Conformance

The subject site is within the Kelseyville Planning Area boundary. The Plan does not contain policies specific to manufacturing, but contains the following policies relating to consistency review:

Objective 5.1a: To encourage orderly growth and development within the Kelseyville Planning Area by focusing higher intensity development within the community of Kelseyville. Lower intensity land use patterns are encouraged in areas without public water and sewer systems in the remainder of the planning area.

- 5.1a-4: Heavy commercial and light industrial uses should not be approved in locations incompatible with neighboring residential, retail or commercial land uses.
- 5.1b-1: A high priority should be given to providing service and employment opportunities locally in the Kelseyville Planning Area in order to boost economic development and reduce travel distances.

The Applicant proposes a manufacturing, processing, and distribution business within an existing facility, which is an allowable use in “PDC” Planned Development Commercial and Industrial “I”. The project is located appropriately and is not within a community growth boundary in which the industrial commercial development would not disturb residential districts. Additionally, up to seven new jobs would be created resulting in a boost in economic development for the County.

Zoning Ordinance ConformanceArticle 15 – Planned Development Commercial

The purpose of Planned Development Commercial zoning is to provide a means for encouraging creative and innovative commercial or industrial developments, orderly and cohesive growth and physical development patterns, assuring conformance of the project with the Lake County General Plan with respect to use, intensity, circulation, public facilities, the preservation of natural features and compatibility with both existing and potential land uses.

Under the existing Major Use Permit (UP 19-47), that was approved on April 22, 2021, the cannabis processor, cannabis manufacturing, and distributor licenses are uses permitted in the “PDC” Planning Development Commercial zoning district upon issuance of a major use permit pursuant to Article 27, Section 27.11 [Table B] of the Lake County Zoning Ordinance. For the proposed manufacturing of dietary supplements however, this use is allowed under the Lake County Code, Zoning Ordinance Article 15, SEC. 21-15, subdivision 15.5.2 (a) which allows for all the uses permitted in the “CR”, “C2”, “C3”, “M1”, and “M2” districts including manufacturing.

Article 53 – Design Review Combining District

The Design Review Combining District is to ensure aesthetic compatibility between uses, protect and enhance property values, protect scenic qualities, and promote community character through use of community design manuals. The proposed project is located within an existing and permitted structure.

The Applicant does not propose expansion of the footprint of the existing facilities, new construction, or and ground disturbing activities.

Article 39 – Airport Approach Combining District

The Airport Approach Combining District is to regulate and restrict the height of structures and objects of natural growth in the vicinity of the County's airports, to promote public safety and compatibility of the adjacent uses with air navigation, and to establish approach, conical, horizontal and transition zones in the vicinity of County airports.

The proposed project is located within an existing facility near the Lampson Airfield. The Applicant does not propose new construction and/or grading, and therefore, would not increase the height of the existing structure. Additionally, with the implementation of the project, no major change to the current role of the airport and/or change to the overall configuration of the runway is anticipated. This project is not related directly to the existing airfield and is located on a separate parcel.

Article 60 Expiration, Revocation, or Modification of Permits and Reapplication

Pursuant to the Lake County Zoning Ordinance, Article 60. SEC. 21-60, subsection 60.33, any permit may be amended by the granting of a new permit of the same type and following the same procedure for adoption of the original permit.

The amendment for Major Use Permit (PL-25-48, UP 25-03) to the existing Major Use Permit (UP 19-47) is to discontinue the approved use of Commercial Cannabis manufacturing and distribution to commence the processing, manufacturing, and distribution of dietary supplements including orally dissolving film (ODF).

Agency Comments

Agency Review was sent on April 17, 2025. The County received comments (Attachment 5) from the following agencies:

- Lake County Special Districts
- Lake County Assessor-Recorder
- Lake County Environmental Health
- Caltrans
- Pacific Gas and Electric

Of the agency comments submitted in response to the April 17, 2025, Request for Review, the following comments are of note:

Lake County Environmental Health required a 4-hour continuance well pump test be conducted. This was submitted to the Community Development Department on August 27, 2025, and was provided to Lake County Environmental Health Department for review. All concerns have been addressed.

Tribal Comments

Notification of the project's Request for Agency Review was sent as a courtesy to Big Valley Rancheria, Cortina Rancheria, Elem Colony, Hopland Band of Pomo Indians, Koi Nation, Mishewal-Wappo, Middletown Rancheria, Redwood Valley Rancheria, Robinson Rancheria, Scotts Valley Band of Pomo Indians, Habematolel Pomo of Upper Lake Tribe, and Yocha Dehe Wintun Nation on April 17, 2025. The Habematolel Pomo responded with a letter on April 29, 2025. The Yocha Dehe Wintun Nation responded on May 16, 2025. Both Tribes stated that the project is not within their Tribe's aboriginal territories and deferred correspondence to the Big Valley Band of Pomo Indians (Attachment 6). No additional comments were received.

Public Comments

The County received comments on May 29, 2025, from Redbud Audubon Society. (Attachment 7).

ENVIRONMENTAL REVIEW

Pursuant to the California Code of Regulations, Title 14, Division 6, Chapter 3, Article 19, Section 15301 Class 1-Existing Facilities would be applied to the proposed project. Class 1 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 existing or former use. The key consideration is whether the project involves negligible or no expansion of use.

The project site is located in a previously developed parcel. The building that would be used for the proposal is existing (built approximately in the mid-1990s) and the applicant does not propose to expand the footprint of the existing building. The facility was previously used for industrial manufacturing of cannabis, and prior to that manufacturing shower doors and enclosures.

Pursuant to the California Code of Regulations Title 14, Division 6, Chapter 3, Section 15300.2, none of the exceptions would apply to the proposed project based on the following:

- There would be no harm to federal or state listed species as no grading or tree removal is proposed;
- There are no other projects of the same type currently proposed or that were previously approved, and there are no known projects of this type planned in the near future. Therefore, no cumulative impact would occur;

- There are no known unusual circumstances that would have a significant effect on the environment;
- According to the Caltrans List of Officially Designated County Scenic Highways, Lake County has no officially designated state highways. Additionally, the project does not include ground moving activities.
- The State's Envirostor database was checked and there are no hazardous waste sites on or adjacent to the project site;
- The project site is not on the California Historical Resources list or the County's Office of Historical Preservation list and there are no other known historical resources present.

Additionally, the project was routed to tribal governments, and no adverse comments were received. Although the proposed manufacturing, processing, and distribution use would have 7 more employees, according to the California Governor's Office of Planning and Research has provided guidance that suggests projects generating fewer than 110 net new trips per day may generally be assumed to cause a less-than-significant transportation impact under the California Environmental Quality Act (CEQA).

After consideration of this information, the Lake County Community Development Department, Planning Division, has determined that the project will not have a significant effect on the environment.

MAJOR USE PERMIT FINDINGS FOR APPROVAL

The Review Authority shall only approve or conditionally approve a Major Use Permit (LCZO Section 51.4, Major Use Permits) if all of the following findings are made:

1. That the establishment, maintenance, or operation of the use applied for will not under the circumstances of the particular case, be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use or be detrimental to property and improvements in the neighborhood or the general welfare of the County.

The proposed manufacturing and processing of supplements is a permitted use in the "PDC" Planned Development Commercial zoning district upon issuance of a major use permit pursuant to Article 15 of the Lake County Zoning Ordinance. Additionally, the applicant shall obtain the necessary permits from the appropriate local, state, and federal government agencies.

2. That the site for the project is adequate in size, shape, location, and physical characteristics to accommodate the type of use and level of development proposed.

The proposed processing, manufacturing, and distribution of dietary supplements would operate within an existing 67,243 sq. ft. building for The Applicant does not propose any building expansion. Article 25 of the Lake County Zoning Ordinance

permits manufacturing uses under M1 and M2 on “PDC” Planned Development Commercial zoned land. The 4-acre parcel provides adequate space to support the proposed operation.

3. That the streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the specific proposed use.

Work Right Circle provides access to the site from Sky Park Drive off of Highland Springs Road. All roads are county maintained and capable of supporting.

4. That there are adequate public or private services, including but not limited to fire protection, water supply, sewage disposal, and police protection to serve the project.

The Lakeport Fire District serves the site and is approximately four miles away. The Lake County Sheriff's Office serves the site and is 5.1 miles away. Water would be supplied by groundwater well. There is a 4,800-gallon primary septic tank and additional tanks within the system for wastewater. A request for comments on the project was sent to all applicable County agencies, and no adverse responses were received (Attachment 5).

5. That the project is in conformance with the applicable provisions and policies of this Code, the General Plan and any approved zoning or land use plan.

The proposed manufacturing business is a permitted use in the “PDC” Planned Development Commercial zoning district upon issuance of a major use permit pursuant to Article 15 of the Lake County Zoning Ordinance. The Lake County General Plan's Industrial designation accommodates manufacturing, processing, research facilities, etc., therefore the proposed project would be in conformance with the General Plan. Additionally, the proposed project is in conformance with the Kelseyville Area Plan that has provisions for economic development and Industrial/Heavy Commercial uses.

6. That no violation of Chapters 5, 17, 21, 23 or 26 of the Lake County Code currently exists on the property, unless the purpose of the permit is to correct the violation, or the permit relates to a portion of the property which is sufficiently separate and apart from the portion of the property in violation so as not to be affected by the violation from a public health, safety or general welfare basis.

The County's online permitting database was checked for violations on September 29, 2025, and there were no existing violations noted. Therefore, there are no violations of Chapters 5, 17, 21, 23 or 26 of the Lake County Code existing on this property.

RECOMMENDATIONS

Staff recommends the Planning Commission find that the proposed manufacturing business, located at 4615 Work Right Circle, Lakeport, CA 95453, is in conformance with the major use permit requirements and is exempt from California Environmental Quality Act under the California Code of Regulations Title 14, Division 6, Chapter 3, Article 19, Section 15301 (Class 1) "Existing Facilities".

Staff recommend the Planning Commission take the following actions:

- A. Find that this project is exempt from CEQA under California Code of Regulations Title 14, Division 6, Chapter 3, Article 19, Section 15301 (Class 1) "Existing Facilities".
- B. Approve Major Use Permit (PL-25-48, UP 23-05) with the following findings:
 - 1. That the establishment, maintenance, or operation of the use applied for will not under the circumstances, be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use or be detrimental to property and improvements in the neighborhood or the general welfare of the County.
 - 2. The site is adequate in size, shape, locations, and physical characteristics to accommodate the type of use and level of development proposed.
 - 3. The streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the proposed use.
 - 4. There are adequate services to serve the project.
 - 5. This project is consistent with the Lake County General Plan, Kelseyville Area Plan, and Lake County Zoning Ordinance.
 - 6. That no violation of Chapter 5, 17, 21, 23 or 26 of the Lake County Code currently exists on this property.

SAMPLE MOTIONS

Environmental Review

- A. I hereby determine the proposed processing, manufacturing, distribution business is categorically exempt (CE 25-03) from CEQA under the California Code of Regulations Title 14, Division 6, Chapter 3, Article 19, Section 15301 (Class 1) "Existing Facilities," based on the findings in the staff report dated October 23, 2025.

Major Use Permit

- B. I hereby approve the Major Use Permit (PL-25-48, UP 25-03) Esther Formula USA Corporation for a manufacturing business on property located at 4615 Work Right Circle, Lakeport, CA 95453 (APN 008-032-51) based on the findings and subject to the conditions in the staff report dated October 23, 2025.

NOTE: *The applicant or any interested person is reminded that the Zoning Ordinance provides for a seven (7) calendar day appeal period. If there is a disagreement with the Planning Commission, an appeal to the Board of Supervisors may be filed. The appropriate forms and applicable fee must be submitted prior to 5:00 p.m. on or before the seventh calendar day following the Commission's final determination.*