



COUNTY OF LAKE
COMMUNITY DEVELOPMENT DEPARTMENT
255 N. Forbes Street – 3rd Floor
Lakeport, California 95453
Planning • Building • Code Enforcement
Phone: (707) 263-2221 • Fax: (707) 263-2225

Item #6c
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May 23, 2024

STAFF REPORT

TO: Planning Commission

FROM: Mireya G. Turner, Community Development Department
Michelle Irace, Principal Planner
Mary Claybon, Associate Planner

DATE: May 23, 2024

SUBJECT: Consideration of proposed Major Use Permit (UP 20-96) Highland Farms, LP (Autumn Karcey) and Mitigated Negative Declaration (IS 20-116) for approval of nineteen (19) A-Type 3 “Medium outdoor” licenses consisting of nineteen (19) acres of outdoor commercial cannabis canopy, two (2) A-Type 3B “Mixed-light” commercial cannabis canopy consisting of 34,404 square feet (sf), Type 4 Nursery, and a Type 13 B and C Distribution located at 7508, 7522, 7634, & 7746 Highland Springs Road and 7257 & 7357 Amber Ridge Road in Lakeport, CA. (APNs 007-006-27, 34, 35, 40, 41, and 007-057-02)

ATTACHMENTS:

1. Project Site Plans by Lake Co. Development (11/10/2023)
2. Draft Conditions of Approval
3. Farm Management Plan (amended 11/26/2023)
4. Draft Initial Study/Mitigated Negative Declaration
5. Hydrology Report by Summit Engineering, Inc. (11/12/2021)
6. Drought Management Plan
7. Water Availability Analysis by Summit Engineering, Inc. (1/20/2022)
8. Commercial Electric Service Calculation Analysis by Summit Engineering, Inc. (4/12/2021)
9. Combined Road Work and Culvert Volumes by Delve Engineering and Consulting (5/22/2021)
10. Geotechnical Report by Bauer Assoc, Inc. (12/10/2021)
11. Biological Assessment
12. Air Quality and GHG Models
13. Agency Comments
14. Tribal Comments
15. Public Comment

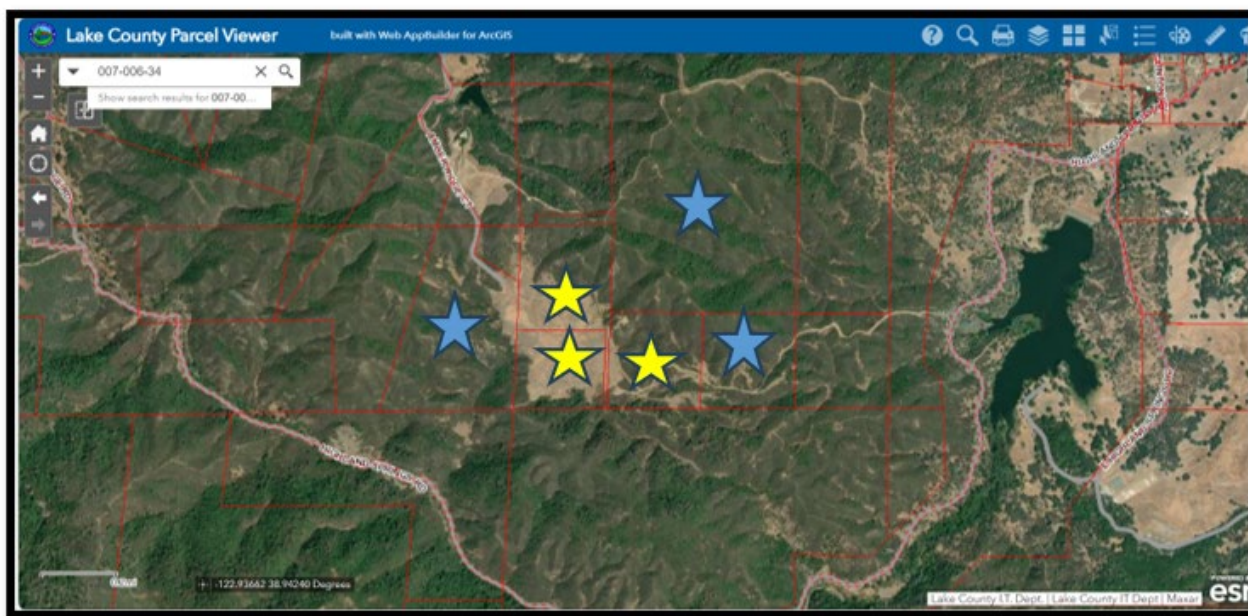
EXECUTIVE SUMMARY

The Applicant, Highland Farms, LP (Autumn Karcey), is proposing commercial cannabis cultivation at 7508, 7522, 7634, & 7746 Highland Springs Road and 7257 & 7357 Amber Ridge Road in Lakeport, CA. The project consists of the cultivation of commercial cannabis and

construction of associated ancillary facilities on three parcels (APNs 007-006-34, 007-006-35, and 007-006-40). The site is located to the west of Highland Springs Lake in unincorporated Lake County, five miles west of Kelseyville, and seven miles south of Lakeport. The Project is being proposed with four additional contiguous parcels (APNs: 007-006-27, 007-006-41, 007-057-01, 007-057-02) in order to allow collocation/clustering of permits. Total acreage combined is 508.19 acres.

The Project site contains a total of one Class II and eight Class III streams occur within the Project Site. Nine stream crossing would be utilized during the operation of the Proposed project. A minimum setback of 50 feet would be maintained from the top of bank of the Class III waterways and wetland boundaries, and 100 feet from the top of bank of the Class II waterway adhering to required setbacks. Comments were received from the California State Waterboards confirming setbacks. (Attachment 13). A Lake Streambed Alteration Agreement has been applied for by the applicant. Seasonal wetlands occur adjacent to, but not within the Project site. Four biological surveys and reports were completed for the proposed project (Attachment 11). Two stages of development would occur on the cultivation parcels.

FIGURE 1 – VICINITY MAP



Source: Lake County Parcel Viewer



Cultivation



Clustering

PROJECT DESCRIPTION

<u>Project Title:</u>	Highland Farms, LP
<u>Permit Numbers:</u>	Major Use Permit (UP 20-96) Initial Study (IS 20-116)
<u>Lead Agency:</u>	County of Lake Community Development Department Courthouse, 3 rd Floor, 255 North Forbes Street Lakeport, CA 95453
<u>Applicant Name & Address:</u>	Autumn Karcey 371 Lakeport Blvd. #174 Lakeport, CA 95453
<u>Property Owner:</u>	Leventhal Realty Highland Springs LLC
<u>Project Location:</u>	7508, 7522, 7634, & 7746 Highland Springs Road and 7257 & 7357 Amber Ridge Road Lakeport, CA 95453
<u>Parcel Number(s) (APN):</u>	Cultivation Area: 007-006-34, 007-006-35, 007-006-40 Clustering Area: 007-006-27, 007-006-41, 007-057-02 Contiguous Parcels under 5 acres: 007-057-01
<u>Parcel Size:</u>	508.19 total acres
<u>General Plan Designation:</u>	RL – Rural Lands
<u>Zoning District(s):</u>	RL – Rural Lands
<u>Flood Zone:</u>	“D”; Area of Undetermined Flood Hazard.

Existing features

- Residence
- Three (3) wells
- Deeded access, driveway, and interior roadway improvements
- Security gate two (2) feet wider than the width of the traffic lane, with a minimum of fourteen feet of unobstructed horizontal clearance and fifteen feet unobstructed vertical clearance.

Stage 1 proposed features:

- Four (4) outdoor cultivation gardens
- Outdoor cultivation in garden A: 22,255 sf canopy; 59,347 sf rows and aisles; 82,229 sf cultivation area
- Outdoor cultivation in garden B: 17,822 sf canopy; 47,527 sf rows and aisles: 69,568 sf cultivation area
- Outdoor cultivation in garden C: 119,041 sf canopy; 317,443 sf rows and aisles; 376,532 sf cultivation area
- Outdoor cultivation in garden D: 98,147 sf canopy; 278,312 sf rows and aisles; 321,955 sf cultivation area
- Twenty-eight (28) 5,000-gallon water tanks for irrigation

- Two (2) 2,500-gallon NFPA-rated water tanks to be used for fire suppression.
- One (1) 10'x12' Agricultural and Chemical storage sheds
- One (1) 10'x12' Agricultural tools/supplies storage shed
- One (1) 10'x12' Security shed/guard shack
- Two (2) 20'Connex shipping containers for storage
- Forty-four (44) parking spaces and 5 ADA compliant spaces
- Four (4) Portable ADA restroom facilities
- 16'x8' solid waste storage
- 20'x40' Compost area
- 6' chain-link perimeter fencing with privacy mesh
- Solar panels and three 25kw propane generators (when solar is insufficient)
- Backup generator (for emergency use only)

Stage 2 proposed features:

- Outdoor cultivation in garden A: 22,255 sf canopy; 59,347 sf rows and aisles; 82,229 sf fenced cultivation area
- Outdoor cultivation in garden B: 17,822 sf canopy; 47,527 sf rows and aisles: 69,568 sf cultivation area
- Outdoor cultivation in garden C: 56,163 sf canopy, 149,771 sf rows and aisles; 193,717 sf cultivation area
- Outdoor cultivation in garden D: 98,147 sf canopy; 278,312 sf rows and aisles; 321,955 sf cultivation area
- Mixed-light cultivation in greenhouse (Building H): 34,404 sf canopy
- 160 x 296 (Building H) greenhouse with 90 sf loading zone
- 100 x 296' Type 4 Nursery Greenhouse (Building J) equipped with irrigation water recapture system
- 100'x 60' two-story metal processing building up to 30' in height for administrative services, drying, and storage
- 281' x 100' single-story prefabricated metal processing building, mainly used for drying and storage.
- 50,000-gal water tank
- 65,000-gal water tank
- 77,000-gal water tank
- Interior roadway improvements to graveled private road for PRC 4290, 4291 compliance
- New PGE electrical service connection
- Seventy-five (75) 315w roof-mount solar panels connected to twenty-four (24) 12v deep cycle batteries
- One (1) 40kw diesel generator
- Three (3) 500-gallon fuel storage tanks
- One (1) 40kw diesel backup generator (for emergency use only)

The applicant proposes two stages of development. During Stage 1 of the project, the applicant is applying for nineteen (19) A-Type 3 acres of outdoor commercial cannabis cultivation area, rather than canopy area, to allow for future adjustments in cultivation style and layout within the footprint of the approved cultivation area. While the 19 license types would typically allow for 19 acres of outdoor cannabis canopy, the applicant proposes a maximum of 5.9 acres of outdoor plant canopy which is also listed as 16.13 acres of canopy to include rows and aiseways

accounted for. The applicant intends to request a reduction of the actual square footage of canopy for cultivation taxes, as determined during each growing season for the duration of the use permit.

A portion of the deeded access road (1,057 linear feet) that connects Highland Springs Rd. to the Property entrance (located across APNs 007-043-04 and 007-043-01) would be graded and improved in accordance with Public Resource Code (PRC) 4290 to provide adequate site access. Furthermore, Pacific Gas and Electric (PG&E) would install power lines along Amber Ridge Ct. to the Project site, which would partially cross APN 007-057-01.

During Stage 1, Highland Farms will plant in the ground using the native soil in areas (A, B, C, and D). Area (A) includes 22,255 sf canopy area within 82,229 sf cultivation area. Area (B) includes 17,822 sf canopy area within 69,568 sf cultivation. Area (C) 119,041 sf canopy area within 376,532 sf cultivation area. Area (D) includes 98,147 sf canopy area within 321,955 sf cultivation area. The total canopy area without rows and aisles is 257,265 sf. (5.9 acres). The total cultivation area with rows and aisles is 667,469 sf (15.3 acres).

During Stage 2, Areas (A) (B) and (D) will remain the same. Within the footprint of Area (C), the outdoor canopy would be reduced to 56,163 sf canopy area within 193,717 sf cultivation area. Additionally, the applicant proposes 34,404 sf mixed-light canopy area within in a 296'x160' greenhouse (Building H) on the Site Plans (Attachment 1). For Stage 2, the total canopy area without rows or aisles is 194,387 sf (4.46 acres) for outdoor cannabis canopy and 34,404 mixed-light canopy. The total cultivation area with rows and aisles is 519,767 sf (11.9 acres).

The applicant proposes appurtenant facilities to also be developed including a prefabricated 12,000 sf. two-story metal processing building (Building E), up to 30' tall. The processing building will mainly be used for administrative services/offices, drying, and storage. A greenhouse identified as (Building H) will contain 34,304 sf of mixed-light canopy. Greenhouse nursery building (J) is 100 x 296' = 29,600 sf Building (I) is a single-story 28,100 sf prefabricated metal processing building, mainly used for drying and storage. The Proposed Project also includes the improvement of the existing gravel access road, the construction of a gravel parking lot/loading zone in front of the processing facilities, and the installation of fencing around the cultivation areas. Stage 1 requires the utilization of twenty-eight (28) 5,000-gallon water tanks for irrigation and (2) 2,500-gallon NFPA-rated water tanks to be used for fire suppression.

During Stage 2, the project requires one (1) 50,000-gallon, one (1) 65,000-gallon, one (1) 77,000-gallon NFPA-rated tanks for irrigation and fire suppression. The total proposed building square footage is 116,970 sf. Agricultural chemicals associated with cannabis cultivation (fertilizers, pesticides, and petroleum products) would be stored appropriately according to California Department of Food and Agriculture (CDFA)/Department of Cannabis Control (DCC) regulations within the secure proposed processing facilities (E and I) within a lockable secure cabinet. The applicant shall obtain a Private Applicator Certificate and Operator ID from the Lake County Agriculture Department prior to the purchase and use of any pesticides, including organic pesticides. The applicant will comply with all pesticide worker safety laws/regulations, recordkeeping, and reporting requirements.

POINTS OF INTEREST

Access

The Property is accessed from Highland Springs Rd. by a private deeded access roadway. The total access roadway is approximately 6,500' in length, with an approximate slope of 0% to a maximum of 15%. The roadway is 20 feet wide with unobstructed vertical clearance and 14 feet

of unobstructed horizontal clearance at the gate. A 6-inch gravel layer would be added to the entire length for erosion and dust control.

During Stage 2, the driveway would be maintained and improved as requested by the Lake County Building Safety Division, in accordance with Public Resource Code 4290. The access driveway to the Project Site currently has a security gate at the entrance of the Property. The gate entrance is more than 2 feet wider than the width of the traffic lane, with a minimum of 14 feet of unobstructed horizontal clearance and clear, unobstructed vertical clearance.

Water Use

According to the applicant's submitted materials, the total water demand for the Facility is conservatively estimated to be 22.7 acre-ft/year (as seen in Figure 4 below). Cannabis cultivation is the highest demand source for the Facility, accounting for over 68% of total anticipated demand.

FIGURE 4 – Total Water Demand

Source of Demand	Average Gallons per Day	Gallons per Year	Acre-ft per Year
Cannabis Cultivation Use	13,782	5,030,278	15.44
Cannabis Process Use	3,353	1,224,000	3.76
Domestic Use	3,088	1,127,280	3.46
Total	20,223	7,381,558	22.7

Source: Water Availability Analysis, Summit Engineering

Peak demand for the facility is assumed to occur during peak growing season and is estimated to be 61,480 gallons per day. Assuming a normal facility operating schedule of 8 hours per day, the minutely demand of the peak day is estimated to be approximately 128 gpm. Wells 2 and 3 are anticipated to be independently capable of sustaining this demand alone. In total, the facility has access to up to 336 gpm of groundwater via its three wells. The facility is proposed to initially have twenty-eight (28) 5,000-gallon poly-tanks for a total storage capacity of 140,000 gallons, which would provide up to two days of peak flow. During Stage 2, the facility would install three (3) engineered tanks totaling 192,000 gallons.

According to the Water Availability Analysis (Attachment 7), the total estimated water demand for the Facility is 22.7 acre-feet per year, which represents 36% of the conservatively estimated 62.5 acre-feet per year of groundwater recharge potential for the project site. The water demand of the Facility does not surpass its estimated precipitation recharge potential which suggests that isn't likely there would be impacts to other facilities in the cumulative impact area.

Energy Use

Stage 1 would not require a high amount of electricity as cultivation would occur outdoors. Electricity would be required to power the water well pumps, security equipment, and charge electronic devices. During Stage 1, power requirements would be achieved through solar panels and three (3) 25 kw propane generators. Generators would only be used during the startup of the

well pump and when solar is insufficient. Under full buildout, the Proposed Project would require an electrical upgrade, which would be applied for during the building permit process. All electricity needed for the Proposed Project would be supplied from solar panels, PG&E, or backup generators.

Stage 2 power from PG&E would be brought through overhead lines as a new service to the proposed buildings (Application number 121428306) and would provide 75% of the total electricity needed to serve the Proposed Project. Existing PG&E lines in the vicinity of the Project Site would be extended to the Project Site boundary. One pole would be installed along Amber Ridge Ct. and extend existing power lines approximately 300 feet to the project site boundary. Six additional poles would be required along Amber Ridge Ct. and four poles along the project boundary for a total of eleven new power poles.

Seventy-five (75) 315W solar panels connected to twenty-four (24) 12 volt (V) deep cycle batteries would be installed on the roof of the proposed structures and would provide the remaining 25% of electricity needed to serve the Proposed Project. The solar facilities would be supplemented by three 25 kW and one diesel backup generator. Backup generators would only be used in the event of a power outage. A 500-gallon above-ground diesel holding tank and 500-gallon above-ground gasoline holding tank, and a 500-gallon propane tank would supply fuel to the generators and would be maintained by an authorized 3rd party servicer. The estimated power requirements of the Proposed Project would be approximately 3,000 kVA distributed amongst all proposed buildings.

Grading

The topography of the Property is varied. Slopes within the proposed cultivation areas are between 5% and 15%. Slopes within the entire proposed graded area of the Project Site range between 5% and 25%. Slopes within the proposed cultivation areas would be graded to achieve a maximum grade of 10%, with slopes up to 3% for all proposed buildings.

Grading would be required to prepare cultivation areas, construction of buildings, installation of water irrigation and electrical lines, improvement of the existing access driveway and new cultivation access roadways, and installation of the parking lot/loading zones. Parking lots and roadways would be covered with compacted gravel to control dust. The initial segment of the access road connecting to Highland Springs Road (approximately 2,782 linear feet) would be graded in order to straighten the segment.

Grading for the Proposed Project related to cultivation areas, including grading associated with maintenance of four (4) existing culverts and one new culvert within the cultivation area, would involve 108,202 cubic yards of cut material, with 48,542 cubic yards of that material used as on-site fill; 59,660 cubic yards of material would be distributed elsewhere on the property or hauled offsite to an approved facility. Including a five-foot buffer around the grading limit, the total disturbed area from grading activities related to cultivation areas would be approximately 26.8 acres.

Culvert replacement and installation

The site contains several class III watercourses and one Class II watercourse. A minimum setback of 50 feet would be maintained from the top of bank of the Class III waterways and wetland boundaries, and 100 feet from the top of bank of the Class II waterway, adhering to required

setbacks. The Project Site is not located in medium- or high-priority groundwater basins as designated by the California Department of Water Resources.

During Stage 2, eight (8) existing culverts on the Project Site would be upgraded, and one new culvert would be added between Cultivation Areas A and C, in accordance with a California Department of Fish and Wildlife (CDFW) Lake and Streambed Alteration Agreement (LSAA). Grading and construction activities would be required to upgrade four culverts along the roadway connecting the cultivation area to the Property access point (total cut/fill of 8,920 cubic yards, net volume of zero – approximately 0.18 acres of disturbance).

All culvert upgrades/installation would be completed in accordance with a CDFW LSAA. Additionally, grading would likely need to take place to upgrade a segment of the access road connecting Highland Springs Rd. to the property entrance, which is expected to have a cut volume of 6,167 cubic yards, a fill of 372 cubic yards, for a total cut of 5,795 cubic yards (0.72 acres of disturbance). Therefore, total disturbance from the Proposed Project is approximately 27.7 acres.

PROJECT SETTING

The site is located to the west of Highland Springs Lake in unincorporated Lake County, five miles west of Kelseyville, and seven miles south of Lakeport. The topography of the Property is varied. Slopes within the proposed cultivation areas are between 5% and 15%. Water onsite mainly drains south and west through steep canyons with dense chaparral vegetation. After passing offsite, water enters Highland Creek, flowing east for 1.5 miles before entering Highland Springs Reservoir.

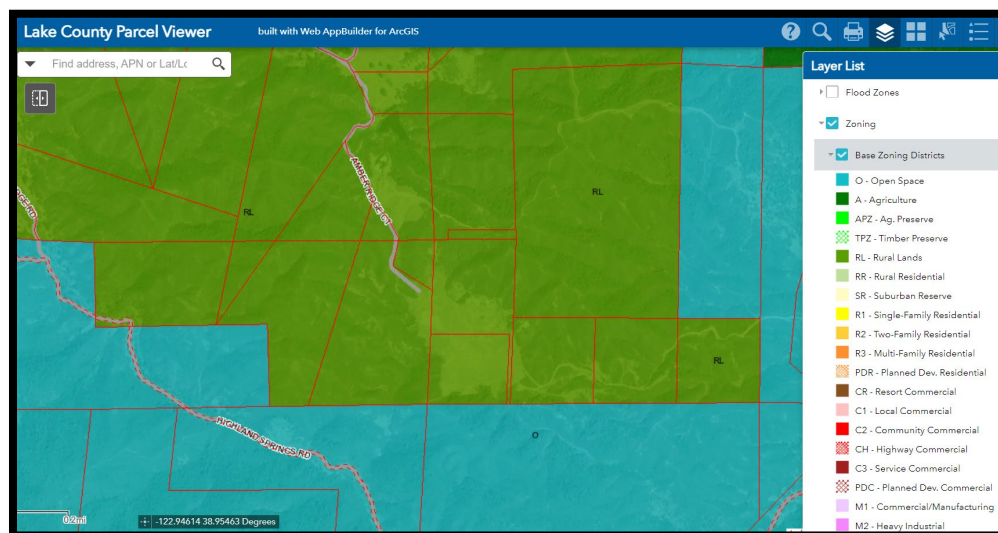
The Project Site contains several class III watercourses and one Class II watercourse. A minimum setback of 50 feet would be maintained from the top of bank of the Class III waterways and wetland boundaries, and 100 feet from the top of bank of the Class II waterway.

Surrounding Zoning and Uses

- **North:** Parcels to the north are zoned RL (Rural Lands) District. These parcels contain open lands. The area is undeveloped.
- **South:** Parcels to the south are zoned O (Open Space) and contain open hilly lands. The area is undeveloped.
- **West:** Parcels to the west are zoned RL District and O District and contain open hilly lands. The area is undeveloped.
- **East:** Parcels to the east are zoned O District and contain open lands. Developed with a residence.

Due to the project parcels being over five (5) acres in size, neighboring parcels that fall within a 725-foot buffer from the lot lines were notified of the project with a Notice of Intent to Adopt a Mitigated Negative Declaration and legal notice for Planning Commission hearing.

FIGURE 5 – LAKE COUNTY BASE ZONING DISTRICT



Source: Lake County Parcel Viewer

PROJECT ANALYSIS

General Plan Conformity

The General Plan designation for the subject site is Rural Lands. In reference to the Lake County General Plan (2008), Chapter 3 – Land Use, rural lands provide for rural development in areas that are primarily in their natural state, although some agricultural production, especially vineyards, can occur on these lands. This category is appropriate for areas that are remote or characterized by steep topography, fire hazards, and limited access. The following policies from the General Plan can be applied to the proposed project:

Chapter 3 – Land Use

Goal LU-1: 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.

Pursuant to Article 27, Sec. 21-27.10, Sec. 27.11 Table B of the Lake County Zoning Ordinance, the cultivation of cannabis is an allowable use within the “RL” Rural Lands upon securing a Minor/Major Use Permit. Therefore, the proposed project would not be an intrusion of a new incompatible land use within the existing zoning and general plan designation of this area as it is an allowable use. The Project Parcel is surrounded by large parcels with limited to no development.

Goal LU-2: Is to clearly differentiate between areas within Lake County appropriate for higher intensity urban services and land uses from areas where rural or resource use should be emphasized.

- Policy LU-2.4 Agricultural/Residential Buffer. The County shall require adequate setbacks between agricultural and non-agricultural uses. Setbacks shall vary depending on type of operation and chemicals used for spraying.

In reference to the Lake County Zoning Ordinance Article 27, (at), 1.i.the County requires a minimum 100-foot setback from all property lines of the subject property, and a minimum of 200-foot setback from any off-site residences. The nearest off-site residence is .41 miles from the Project site, well over the 200-foot setback for offsite residences from commercial cannabis cultivation as described in Article 27.11 of the Lake County Zoning. Additionally, Article 27, Sec. 21-27.10, (at), 3.iii.v. prohibits Commercial Cannabis Cultivation within 1,000 feet of Community Growth Boundaries, licensed child care facilities, churches, or youth-oriented facilities. The closest community growth boundary, which is approximately 4.8 miles away separated by rugged, mountainous terrain. The project meets these setbacks.

- Policy LU-1.4 Communities: The County shall recognize each community as an important asset to the County and seek to strengthen and revitalize all communities.

The approval of the use permit will allow both the agricultural industry and the cannabis industry to strengthen and revitalize the overall community through promoting economic development, employment opportunities, as well as tax and other revenues for the county. According to the applicant, the operation will include an anticipated 20 to 30 employees and subcontractors that would be required during outdoor planting and harvest, in addition to 10 to 12 full-time employees that would manage day-to-day seasonal operations. The greenhouse would have a maximum of 10 full-time employees to manage day-to-day operations year-round. The maximum number of employees and subcontractors on-site during the peak season would not exceed 52 employees depending on the stage of the cultivation season. Employees will spend money locally on commodities such as food, gas, rent and other items, which in turn will benefit local area merchants.

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 proposes to implement Public Resource Code 4290/4291 road standards for commercial operations to allow adequate access for wildfire suppression. Furthermore, the project will require steel or fiberglass water tanks dedicated to fire suppression.

Goal HS-5: To protect residents, visitors, and property from hazardous materials through their safe use, transport, and disposal.

- Policy HS-5.6 Contamination Prevention: The County shall review new development proposals to ensure that soils, surface water and groundwater are protected from contamination.

The applicant will also maintain a hazardous material storage area with the use of secondary containment as required for all commercial cannabis activities. The Project Site contains several class III watercourses and one Class II watercourse. A minimum setback of 50 feet would be

maintained from the top of bank of the Class III waterways and 100 feet from the top of bank of the Class II waterway, meeting the setback requirements of Article 27.

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.

Defensible space of 100' around structures is required. As an added Condition of Approval, staff recommends all water tanks be equipped with a 2.5 Fire Department Hose Connection for fire suppression.

Chapter 11 - Water Resources

Goal WR-1: Provide for the current and long-range water needs of the County and for the protection of the quality and quantity of groundwater resources.

- Policy WR-1.2: Sustainable Groundwater Withdrawal. The County shall manage groundwater resources within its jurisdiction through ordinances, project approvals, and agreements to ensure an adequate, safe, sustainable, and economically viable groundwater supply for existing and future use within the County, to maintain and enhance the natural environment, protect existing groundwater users, the overall economy of the County, and groundwater and surface water quality and quantity in a manner consistent with existing law and with a doctrine of safe yield within the groundwater basins of the County.

The Proposed Project would obtain water from three (3) groundwater supply wells. A water supply 4-hour yield test was conducted in December 2020, which indicated that Well 1 is capable of producing 75 gallons per minute with a 92-foot drawdown (recovered to 61 feet after 45 minutes). A water supply 4-hour yield test was conducted in December 2021, which indicated that Well 2 is capable of producing 129 gallons per minute with a 74-foot drawdown (recovered to 54 feet after 45 minutes). A water supply 4-hour yield test was conducted in December 2021, which indicated that Well 3 is capable of producing 132 gallons per minute with a 109-foot drawdown (recovered to 52 feet after 9 minutes). The Property Management Plan and Water Availability Analysis (WAA) indicate that the estimated annual water use for the Proposed Project, based on an assumed average water demand of 30 inches per acre per year, would be approximately 5,030,278 gallons for cannabis cultivation use, 1,224,000 gallons for cannabis processing, and 1,127,280 gallons for domestic use – a total of 22.7 acre-feet per year.

The applicant proposes that two (2) meters would be installed on each well: a totalizing well meter that continuously measures the total water output and a continuously recording water level monitor. All data would be recorded and maintained for a five-year duration minimum. Records would be made available to all interested State and/or County departments upon request. Furthermore, the Proposed Project would conserve water resources through visual monitoring of spills/leaks, drip irrigation methods, an inline water meter on the dripline's main supply line and the water storage tanks, and installation of water re-capture systems in the nursery-greenhouse,

which would collect 100% of the irrigation water after it has drained through the root zone. This water would be sterilized with UV light and re-introduced into the main irrigation system.

As required by County Ordinance 3106, a hydrology report (WAA) was prepared for the Project by a California licensed civil engineer. The WAA confirms that the existing on-site wells are capable of producing 75, 129, and 132 gallons per minute and are expected to meet the domestic, cultivation, and landscape irrigation demands of the Proposed Project. The estimated groundwater recharge rate for the Project parcels is approximately 62.5 acre-feet per year. The total estimated water demand for the Proposed Project is approximately 22.7 acre-feet per year, which represents 36% of the estimated 62.6 acre-feet per year groundwater recharge potential for the Project site.

Kelseyville Area Plan Conformity

The subject site is within the Kelseyville Planning Area boundary. The Plan contains several policies that are subject to consistency review as follows:

- 3.2c: Development should be focused in areas of low to moderate erosion potential where feasible.
- 3.3b: New development should be designed to conserve water usage through the use of drought resistant vegetation, water flow restrictors and other conservation measures.
- 3.5f: The County should provide assistance to the local agricultural community in identifying ways to increase supplies of and implement conservation techniques for quality irrigation water in the Kelseyville Planning Area.
- 3.9a: Archaeological studies shall be required in accordance with state law whenever new development could potentially impact unique or significant cultural resources.

The proposed project is consistent with the policies of the Kelseyville Area Plan, including the policies cited above. The applicant has provided a Water Availability Analysis, Drought Management Plans, and is required to adhere to the State Water Resources Control Board Cannabis Cultivation Policy, which requires all runoff be retained on-site, mitigating off-site downstream drainage impacts.

The applicant has submitted a Cultural Resources Assessment (CRA) for the proposed project prepared by Konocti Cultural Resource Management (January 2021). According to the Property Management Plan, should any archaeological, paleontological, or cultural materials be discovered during site development, all activity would be halted in the vicinity of the find(s), the applicant will notify the culturally affiliated Tribes, and a qualified archaeologist to evaluate the find(s). All employees are to be trained in recognizing potentially significant artifacts that may be discovered during ground disturbance.

Zoning Ordinance Conformity

Article 7 – Rural Lands (RL): In reference to Article 7 of the Lake County Zoning Ordinance, this designation is to provide for resource related and residential uses of the County's undeveloped lands. Typical uses permitted by right include, but are not limited to, Agricultural uses, including crop and tree farming, livestock grazing, animal husbandry, agricultural and residential accessory uses and accessory structures, agricultural processing such as fruit dehydrators and packing sheds not exceeding a use area of two thousand (2,000) square feet.

Under Article 27, Sec. 21-27.10, Sec. 27.11 Table B of the Lake County Zoning Ordinance, commercial cannabis cultivation is a permitted use within the Rural Lands zoning district.

Article 27 – Uses Permitted: Pursuant to Article 27 of the Lake County Zoning Ordinance, outdoor commercial cannabis cultivation is permitted in the Rural Lands zoning district with the issuance of a Major Use Permit. Agricultural processing such as fruit dehydrators, packing plants, canneries, polishing and packaging plants exceeding a use area of ten thousand (10,000) square feet are permitted in the Rural Lands zoning district with the issuance of a Major Use Permit.

Development & Performance Standards

This application meets the following Development Standards, General Requirements and Restrictions as specified within Article 27, subsection (at) of the Lake County Zoning Ordinance, including:

- Minimum Lot Size (20 acres per A-Type 3): Complies, the total acreage combined is 508.19 acres.
- Setback from Property Line (100 feet): Complies, the cultivation site is set back a minimum of 100 feet from the nearest property line.
- Setback from Off-Site Residence (200 feet): Complies; The closest off-site residence is approximately .41 miles from the cultivation sites.
- Minimum Fence Height of Six (6) Feet: Complies; the proposed security fence will be six feet tall.
- Maximum Canopy Area for an A – Type 3 (43,560 sf): Complies; the proposed canopy areas without rows and aisles is 257,265 sf. (5.9 acres). The total cultivation area with rows and aisles is 667,469 sf or 15.3 acres. The total combined acreage for all parcels included within this project is approximately 508.19 acres.
- Maximum Canopy Area for an A&M Type 3B license (22,000sf): Complies; the proposed canopy areas would be 34,404 sf for 508.19 acres
- Minimum lot size (2- acres per Type N Nursery license): Complies, the total acreage combined is 508.19 acres.

General Requirements

There are several general requirements for cannabis cultivation listed in Section 27.11(at) of the Lake County Zoning Ordinance. These include, but are not limited to, obtaining a State License, completion of background checks, obtaining property owner approval, complying with hours of operations and deliveries, access requirements, etc.

The applicant will be required to meet the General Requirements outlined in Section 27.11(at) of Chapter 21 Zoning Ordinance and Ordinance 3106, Conditions of Approval (Attachment 2) are proposed to ensure compliance with the Zoning Ordinance.

The applicant has submitted a Farm Management Plan (Attachment 3), outlining compliance with all regulations pertaining to cannabis operations including the following: air quality, project grounds, grading and erosion control BMP's, security, stormwater, water use, etc. In addition, the Project complies with the restrictions pertaining to the prohibited activities listed in Article 27, including licensing and water use that is illegally diverted.

AGENCY COMMENTS

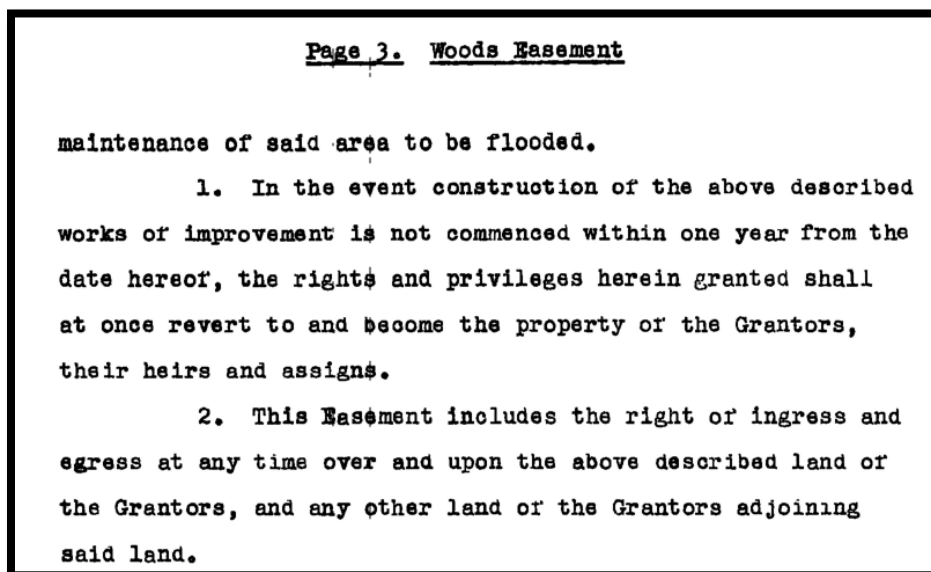
Agency comments submitted in response to the August 24, 2023, Request for Review were received from the following agencies:

- Lake County Air Quality Management District
- Lake County Agricultural Commissioner
- Lake County Environmental Health
- Lake County Sheriff's Office
- Lake County Building Department
- CDD Resource Planning
- NWIC (Sonoma State University)
- PG&E
- Lake County Special Districts
- Lake County Surveyor
- Department of Public Works, Roads
- California State Waterboards
- Department of Cannabis Control

Of the agency comments submitted in response to the August 24, 2023, Request for Review, the following comments are of note:

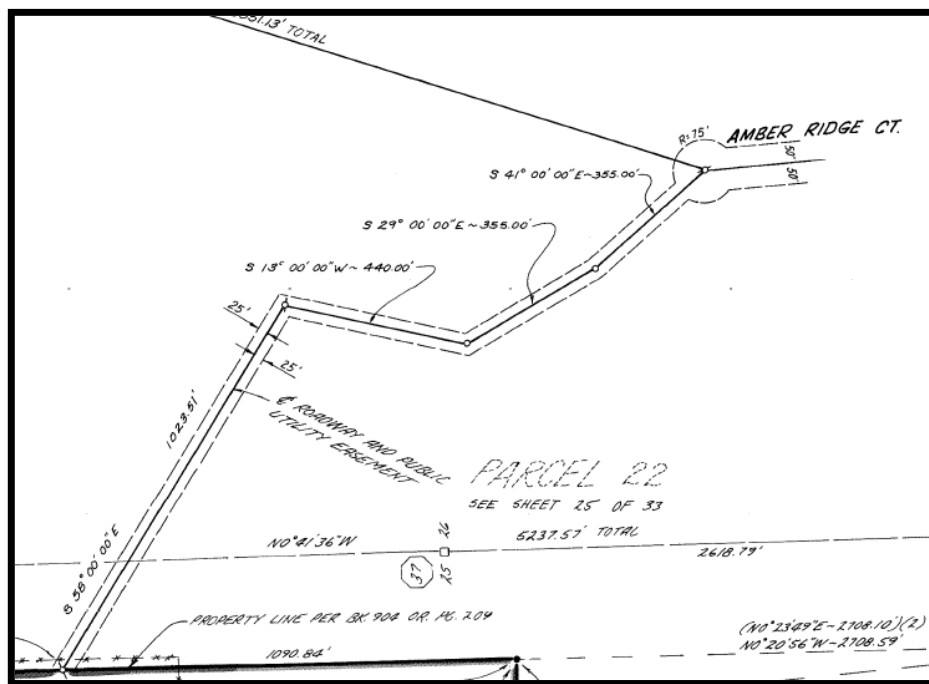
- County Surveyor identified two easements to be verified; the first, an access easement through adjacent parcel identified as (APN 007-043-04). According to the Grant Deed for this parcel, the easement includes the right of ingress and egress at any time for adjacent parcels identified in Figure 6. The second easement was identified as a roadway and utility easement on parcels (APN 007-056-01, 007-056-02, and 007-056-03). This easement was confirmed by Assessor Recorder Parcel Maps Book 21.

FIGURE 6– ACCESS EASEMENT



Source: *Official Records of Lake County, Book 333, Page 193*

FIGURE 7 – UTILITY EASEMENT



Source: Assessor Recorder Parcel Maps Book 21

TRIBAL COMMENTS

Notification of the Project was sent to Big Valley Rancheria, Cortina Rancheria, Elem Colony, Koi Nation, Mishewal-Wappo, Middletown Rancheria, Redwood Valley Rancheria, Hopland Band of Pomo Indians, Robinson Rancheria, Scotts Valley Band of Pomo Indians, Habematolel Pomo of Upper Lake Tribe, and Yocha Dehe Wintun Nation on December 16, 2020. Habematolel Pomo of Upper Lake Tribe concluded the project was not within their aboriginal territory. Tribal consultation was not requested (Attachment 14). The Notice of Intent and legal notice for this hearing were provided to Tribes. No further comments or concerns have been received from local Tribes regarding this Project to date. However, mitigation measures (TCR-1 through TCR-3) have been incorporated to ensure that all impacts associated with unanticipated discoveries are reduced to a less than significant level.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) requires agencies to evaluate the environmental implications of land use actions. An Initial Study and Mitigated Negative Declaration (Attachment 4) was prepared and circulated for public review in compliance with CEQA from April 8, 2024, to May 7, 2024. Comments were received from the Department of Cannabis Control and California State Waterboards (Attachment 13).

The Initial Study found that the project could cause potentially significant impacts:

- Aesthetics
- Air Quality
- Biological Resources

- Cultural Resources
- Energy
- Geology/Soils
- Hazards & Hazardous Materials
- Hydrology/Water Quality
- Noise
- Tribal Cultural Resources
- Wildfire

Aesthetics Impacts relating to Aesthetics (AES) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure AES-1:

AES-1: All greenhouses incorporating artificial lighting shall be equipped with blackout film/material to be used at night for maximum light blockage to lessen the impact on the surrounding parcels and the dark skies. Applicant shall submit a *Blackout Film/Materials Plan* to the Community Development Department for review and approval prior to issuance of any permits.

Air Quality Impacts relating to Air Quality (AQ) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures AQ-1 through AQ-6:

AQ-1: Prior to obtaining the necessary permits and/or approvals for any phase, applicant shall contact the Lake County Air Quality Management District (LCAQMD) and obtain an Authority to Construct (A/C) permit for all operations and for any diesel-powered equipment and/or other equipment with potential for air emissions or provide proof that a permit is not needed.

AQ-2: All mobile diesel equipment used must be in compliance with state registration requirements. Portable and stationary diesel-powered equipment must meet all federal, state, and local requirements, including the requirements of the State Air Toxic Control Measures for compression ignition engines. Additionally, all engines must notify LCAQMD prior to beginning construction activities and prior to engine use.

AQ-3: The applicant shall maintain records of all hazardous or toxic materials used, including a Material Safety Data Sheet (MSDS) for all volatile organic compounds utilized, including cleaning materials. Said information shall be made available upon request and/or the ability to provide the LCAQMD such information in order to complete an updated Air Toxic emission Inventory.

AQ-4: All vegetation during site development shall be chipped and spread for ground cover and/or erosion control. The burning of vegetation, construction debris, including waste material is prohibited.

AQ-5: The applicant shall have the primary access and parking areas surfaced with chip seal, asphalt, or an equivalent all weather surfacing to reduce fugitive dust generation. The use of white rock as a road base or surface material for travel routes and/or parking areas is prohibited.

AQ-6: All areas subject to infrequent use of driveways, overflow parking, etc., shall be surfaced with gravel, chip seal, asphalt, or an equivalent all weather surfacing. Applicant shall regularly use and/or maintain graveled area to reduce fugitive dust generations.

Biological Resources Impacts relating to Biological Resources (BIO) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures BIO-1 through BIO-3:

BIO-1: Prior to construction activities, a qualified biologist shall survey the potential seasonal wetlands and Class II and III watercourses within 200 feet of the Project Site. The qualified biologist shall demarcate setbacks from wetlands, watercourses, and riparian habitat with high-visibility fencing or flagging. No construction or operational project activities shall occur within the setbacks, including the stockpiling of materials or storage of equipment. The demarcation shall remain in place throughout the duration of construction. Following construction, the demarcation may be removed, with the understanding that Project activities within the setback shall not occur. Regulatory permits from CDFW, United States Army Corps of Engineers (USACE), and the Regional Water Quality Control Board shall be obtained, as required. Best Management Practices outlined in Appendix G of the Biological Assessment shall be implemented.

BIO-2: For the protection of aquatic features adjacent to the Project Site, BMPs for erosional control measures, such as straw wattles and silt fencing, shall temporarily be placed along existing roadways within stream and wetland setbacks during construction activities. Native vegetation shall be planted along roadsides for long-term erosion control. Best Management Practices outlined in Appendix G of the Biological Assessment shall be implemented.

BIO-3: Should work commence during the nesting season (February 15 through September 15), a preconstruction nesting bird survey shall be conducted by a qualified biologist no more than five days prior to the start of ground disturbing activities. Areas on and within 500 feet of construction shall be surveyed as possible for active nests. Should an active nest be identified, a “disturbance-free” buffer shall be established by the qualified biologist based on the needs of the species identified and clearly marked by high-visibility material. The buffer shall remain in place until the biologist determines that the nest is no longer active. Construction activities, including removal of trees, shall not occur within the buffer. Should construction cease for a period of five days or more, an additional pre-construction nesting bird survey shall be conducted. Best Management Practices outlined in Appendix G of the Biological Assessment shall be implemented.

Cultural Resources Impacts relating to Cultural Resources (CUL) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures CUL-1 through CUL-2:

CUL-1: Should any archaeological, paleontological, or cultural materials be discovered during site development, all activity shall be halted within 100’ of the find(s). A professional Archaeologist certified by the Registry of Professional Archaeologists (RPA) shall be notified to evaluate the find(s) and recommend mitigation procedures, if necessary, subject to the approval of the Community Development Director.

Should any human remains be encountered, the applicant shall notify the Sheriff’s Department, the culturally affiliated Tribe(s), and a qualified Archaeologist for proper internment and Tribal rituals per Public Resources Code Section 5097.98 and Health and Safety Code 7050.5.

CUL-2: Prior to ground disturbing activities, the Permittee shall submit a Cultural Resources Plan, identifying methods of sensitivity training for site workers, procedures in the event of an accidental discovery, and documentation and reporting procedures. Prior to ground disturbing activities, the Permittee shall submit verification that all site workers have reviewed the Cultural Resources Plan and received sensitivity training.

Energy Impacts relating to Energy (EN) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure AQ-1.

Geology and Soils Impacts relating to Geology and Soils (GEO) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures HYD-1 and GEO-1 through GEO-4:

GEO-1: Prior to any ground disturbance, the permittee shall submit erosion control and sediment plans to the County's Water Resource Department and Community Development Department for review and approval. Said erosion control and sediment plans shall protect the local watershed from runoff pollution through the implementation of appropriate Best Management Practices (BMPs) in accordance with the Grading Ordinance. Typical BMPs include the placement of straw, mulch, seeding, straw wattles, silt fencing and the planting of native vegetation on all disturbed areas. No silt, sediment or other materials exceeding natural background levels shall be allowed to flow from the project area. The natural background level is the level of erosion that currently occurs from the area in a natural, undisturbed state. Vegetative cover and water bars shall be used as permanent erosion control after project installation. The applicant shall include a detailed description of the relocation or proper disposal of excess soil of said excavation.

GEO-2: Excavation, filling, vegetation clearing, or other disturbance of the soil shall not occur between October 15 and April 15 unless authorized by the Community Development Department Director. The actual dates of this defined grading period may be adjusted according to weather and soil conditions at the discretion of the Community Development Director.

GEO-3: The Applicant shall submit a geotechnical report to the County prior to construction that confirms that structures associated with the Proposed Project will be located on stable soils and all recommendations within the geotechnical report relating to building design shall be adhered to.

GEO-4: In the event of any inadvertent discovery of paleontological resources, all work within a 50-foot radius of the find shall be halted and the County shall be notified. Workers shall avoid altering the materials until a professional paleontologist can evaluate the significance of the find and make recommendations to the County on the measures that shall be implemented to protect the discovered resources.

Hazards and Hazardous Materials: Impacts relating to Hazards and Hazardous Materials (HAZ) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures HAZ-1 through HAZ-5:

HAZ-1: Prior to operation, the applicant shall schedule an inspection with the Lake County Code Enforcement Division within the Community Development Department to verify adherence to all requirements of Chapter 13 of the Lake County Code, including but not limited to adherence with the Hazardous Vegetation requirements.

HAZ-2: Prior to operation, all employees shall have access to restrooms and hand-wash stations. The restrooms and hand wash stations shall meet all accessibility requirements.

HAZ-3: The proper storage of equipment, removal of litter and waste, and cutting of weeds or grass shall not constitute an attractant, breeding place, or harborage for pests.

HAZ-4: All food scraps, wrappers, food containers, cans, bottles, and other trash from the project area should be deposited in trash containers with an adequate lid or cover to contain trash. All food waste should be placed in a securely covered bin and removed from the site weekly to avoid attracting animals.

HAZ-5: The applicant shall maintain records of all hazardous or toxic materials used, including a Material Safety Data Sheet (MSDS) for all volatile organic compounds utilized, including cleaning materials. Said information shall be made available upon request and/or the ability to provide the Lake County Air Quality Management District such information to complete an updated Air Toxic Emission Inventory.

Hydrology and Water Quality: Impacts relating to Hydrology and Water Quality (HYD) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures BIO-1, BIO-2, GEO-1, and HYD-1 through HYD-4:

HYD-1: Before this permit shall have any force or effect, the permittee(s) shall adhere to the Lake County Division of Environmental Health requirements regarding on-site wastewater treatment and/or potable water requirements. The permittee shall contact the Lake County Division of Environmental Health for details.

HYD-2: The applicant shall prepare a groundwater management plan to ensure that the groundwater resources of the County are protected, used and managed sustainably. The plan would support the Integrated Regional Water Management Plan and include an inventory of groundwater resources in the County and a management strategy to maintain the resource for the reasonable and beneficial use of the people and agencies of the County.

HYD-3: The production well shall have a meter to measure the amount of water pumped. The production wells shall have continuous water level monitors. The methodology of the monitoring program shall be described. A monitoring well of equal depth within the cone of influence of the production well may be substituted for the water level monitoring of the production well. The monitoring wells shall be constructed and monitoring began at least three months before the use of the supply well. An applicant shall maintain a record of all data collected and shall provide a report of the data collected to the County annually and/or upon made upon request.

HYD-4: The applicant shall adhere to the measures described in the Drought Management Plan during periods of a declared drought emergency.

Noise: Impacts relating to Noise (NOI) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures NOI-1 and NOI-2:

NOI-1: All construction activities including engine warm-up shall be limited Monday Through Friday, between the hours of 7:00 a.m. and 7:00 p.m., and Saturdays from 12:00 noon to 5:00 p.m. to minimize noise impacts on nearby residents. Back-up beepers shall be adjusted to the lowest allowable levels. This mitigation does not apply to night work.

NOI-2: Maximum non-construction related sounds levels shall not exceed levels of 55 dBA between the hours of 7:00 a.m. to 10:00 p.m. and 45 dBA between the hours of 10:00 p.m. to 7:00 a.m. within residential areas as specified within Zoning Ordinance Section 21-41.11 (Table 11.1) at the property lines.

Tribal Cultural Resources Impacts relating to Tribal Cultural Resources (TCR) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures CUL-1, CUL-2, and TCR-1 through TCR-3:

TCR-1: All on-site personnel of the project shall receive tribal cultural resource sensitivity training prior to initiation of ground disturbance activities on the project. The training must be according to the standards of the NAHC or the culturally affiliated Tribe(s). Training will address the potential for exposing subsurface resources and procedures if a potential resource is identified. The training will also provide a process for notification of discoveries to culturally affiliated Tribes, protection, treatment, care and handling of tribal cultural resources discovered or disturbed during ground disturbance activities of the Project. Tribal monitors will be required to participate in any necessary environmental and/or safety awareness training prior to engaging in any tribal monitoring activities for the project.

TCR-2: If previously unidentified tribal cultural resources are encountered during the project altering the materials and their stratigraphic context shall be avoided and work shall halt immediately. Project personnel shall not collect, move, or disturb cultural resources. A representative from a locally affiliated Tribe(s) shall be contacted to evaluate the resource and prepare a Tribal Cultural Resources plan to allow for identification and further evaluation in determining the tribal cultural resource significance and appropriate treatment or disposition.

TCR-3: Prior to commencement of ground disturbing activities, the permittee shall submit documentation to the Community Development Department demonstrating that they have engaged with the culturally affiliated Tribe(s) to provide cultural monitors and that cultural sensitivity training has been provided to site workers.

Wildfire Impacts relating to Wildfire (WDF) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures GEO-3 and WDF-1 through WDF-3:

WDF-1: Construction activities shall not take place during a red flag warning (per the local fire department and/or national weather service) and wind, temperature and relative humidity will be monitored in order to minimize the risk of wildfire. Grading shall not occur on windy days that could increase the risk of wildfire spread should the equipment create a spark.

WDF-2: Any vegetation removal or manipulation shall take place in the early morning hours before relative humidity drops below 30 percent.

WDF-3: A water tender shall be present on site during earth work to reduce the risk of wildfire and dust.

Mandatory Findings of Significance

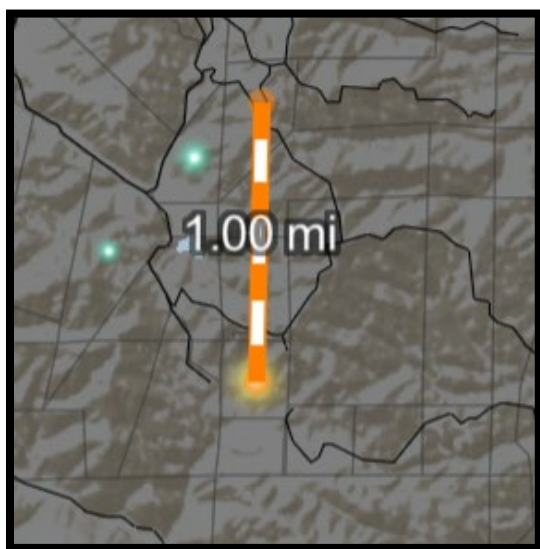
The discussion within this section is incorporated to mitigate any potential impacts from the implementation of the project. In addition to the mitigation measures above, the applicant will apply for permits from various agencies including the Department of Cannabis Control, the State Water Resources Control Board, and the California Department of Fish and Wildlife, and any other applicable agencies to operate a commercial cannabis cultivation operation. The various agencies include complying with state regulatory setback requirements and restrictions that would then further minimize potential impacts to the environments that address natural resources.

Potentially significant impacts have been identified related to Aesthetics, Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Hazards & Hazardous Materials, Hydrology, Noise, Tribal Cultural Resources and Wildfire. These impacts in combination with the impacts of other past, present, and reasonably foreseeable future projects could cumulatively contribute to significant effects on the environment. Implementation of and compliance with mitigation measures identified in each section as project conditions of approval would avoid or reduce potential impacts to less than significant levels and would not result in any cumulatively significant environmental impacts.

CUMULATIVE IMPACTS

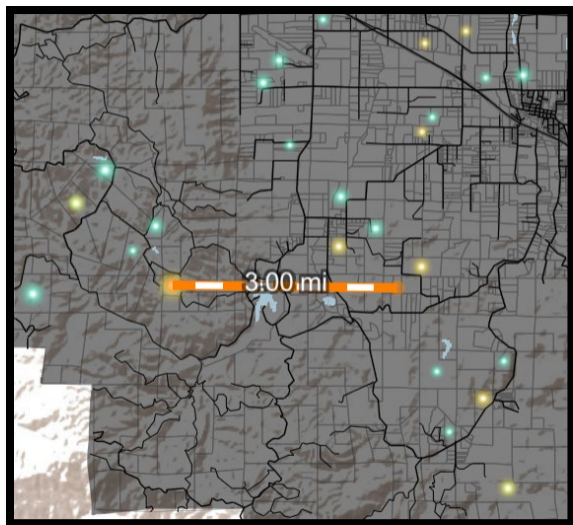
Within one mile of the proposed project, there are zero pending and two approved projects. Within three miles of the proposed project, there are two pending and eight approved projects.

FIGURE 8 – One-Mile Radius



Source: Lake County GIS

FIGURE 9 – Three-Mile Radius



Source: Lake County GIS

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 use of commercial cannabis cultivation operation is a permitted use in the “RL” Rural Lands zoning district upon issuance of a Major Use Permit pursuant to Article 27, Sec. 21-27, Sec. 27.11 Table B of the Lake County Zoning Ordinance. The project scope complies with the minimum regulatory requirements set by the local ordinances to address the health, safety, morals, comforts, and general welfare of those working or residing near the proposed use. The project meets or exceeds all required setbacks for this type of use, including distance to nearby sensitive receptors. Prior to the applicant constructing any type of structure(s), the applicant shall obtain the necessary permits and licenses from the appropriate federal, state, and/or local government agencies. Additionally, the CDD would conduct annual compliance monitoring inspections during the cultivation season to ensure compliance with the County’s ordinances, the approved Property Management Plan, mitigation measures, and conditions of approval.

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 location and size of the project site comply with the local ordinance requirements for use and setbacks. The site is large enough to meet the standards and criteria for commercial cannabis licenses applied for as found in Article 27.11. The Lake County Zoning Ordinance allows Types 1, 2, 3, and 4 cultivation operations within “RL” Rural Lands zoning districts, and the subject site is 508.19 acres total, large enough to enable the canopy area, as proposed.

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

Interior roadway improvements are proposed. Per Fire Safe Requirements, the project will need to meet the CAL FIRE road standards outlined in Public Resources Codes 4290/4291. The applicant must comply with all building codes prior to construction of any structures. There is no pedestrian access to the Project Site. The project has adequate access to accommodate the specific use and will be required to maintain and improve the access to be compliant with Public Resources Code 4290/4291.

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.*

During Stage 1, the project site will utilize three permitted onsite groundwater wells and twenty-eight (28) 5,000 gallon water storage tanks, two of which are comprised of steel or fiberglass dedicated to fire suppression. During Stage 2, installation of a 50,000-gal water tank, a 65,000-gal water tank, and 77,000-gal water tank are proposed. The project parcel has adequate emergency service protection through the Lake County Sheriff’s Office, California Highway Patrol (CHP), the California Board of Forestry and Fire Protection, (CAL FIRE), and the Northshore Fire

Protection District. The applicant is required to adhere to all applicable local, state, and federal regulations, mitigation measures, and conditions of approval intended to ensure adequate site. This application was routed to all the affected public and private service providers (including Public Works, Special Districts, Environmental Health, PG&E), and there are adequate public utilities and services available to the site.

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 cultivation of commercial cannabis is a permitted use within the Rural Lands zoning district upon securing a Major Use Permit according to Article 27.11 of the Lake County Zoning Ordinance. Additionally, although the Lake County General Plan does not have any provisions specifically for commercial cannabis, both the General Plan and the Area Plan have provisions for economic development, water resources, and agricultural resources land use compatibility. The subject property complies with the minimum setbacks and development standards. The proposed project does not have conflicting land use and is outside of buffer areas.

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.*

There are no known violations of Chapters 5, 17, 21, 23, or 26 of the Lake County Code on this property.

7. *The proposed use complies with all development standards described in Chapter 21, Article 27, Section 1.i.*

This application meets the following Development Standards, General Requirements and Restrictions as specified within Article 27.11(at) of the Lake County Zoning Ordinance.

8. *The applicant is qualified to make the application described in Chapter 21, Article 27, Section 1.ii.(g).*

The applicant has passed a 'live scan' background check and is qualified to undertake a commercial cannabis cultivation activity subject to approval of this use permit. All employees of this project will also be required to pass a 'live scan' background check. The application complies with the qualifications for a permit described in Chapter 21, Article 27, Section 1.ii.(i).

RECOMMENDATIONS

Staff recommends the Planning Commission take the following actions:

- A. Adopt Mitigated Negative Declaration (IS 20-116) for Major Use Permit (UP 20-96) with the following findings:
1. Potential environmental impacts related to Aesthetics (AES) can be mitigated to less than significant levels with the inclusion of mitigation measures AES-1.

2. Potential environmental impacts related to Air Quality (AQ) can be mitigated to less than significant levels with the inclusion of mitigation measures AQ-1 through AQ-6.
 3. Potential environmental impacts related to Biological Resources (BIO) can be mitigated to less than significant levels with the inclusion of mitigation measures BIO-1 through BIO-3.
 4. Potential environmental impacts related to Cultural Resources (CUL) can be mitigated to less than significant levels with the inclusion of mitigation measures CUL-1 and CUL-2.
 5. Potential environmental impacts related to Energy (EN) can be mitigated to less than significant levels with the inclusion of mitigation measures AQ-1.
 6. Potential environmental impacts related to Geology and Soils (GEO) can be mitigated to less than significant levels with the inclusion of mitigation measures GEO-1 through GEO-4.
 7. Potential environmental impacts related to Hazards and Hazardous Materials (HAZ) can be mitigated to less than significant levels with the inclusion of mitigation measures HAZ-1 through HAZ-5
 8. Potential environmental impacts related to Hydrology and Water Quality (HYD) can be mitigated to less than significant levels with the inclusion of mitigation measures HYD-1 through HYD-4.
 9. Potential environmental impacts related to Noise (NOI) can be mitigated to less than significant levels with the inclusion of mitigation measures NOI-1 through NOI-2
 10. Potential environmental impacts related to Tribal Cultural Resources (TCR) can be mitigated to less than significant levels with the inclusion of mitigation measures CUL-1, CUL-2, TCR-1, TCR-2, and TCR-3.
 11. Potential environmental impacts related to Wildfire (WDF) can be mitigated to less than significant levels with the inclusion of mitigation measures WDF-1 through WDF-3.
- B. Approve Major Use Permit (UP 20-96) 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, Middletown Area Plan, and Lake County Zoning Ordinance.
6. No violation of Chapter 5, 17, 21, 23 or 26 of the Lake County Code currently exists on this property, with a condition of approval implemented.
7. The proposed use complies with all development standards described in Chapter 21, Article 27, Section 1.i.
8. The applicant is qualified to make the application described in Chapter 21, Article 27, Section 1.ii.(g).
9. The application complies with the qualifications for a permit described in Chapter 21, Article 27, Section 1.ii.(i).

Sample Motions:

Mitigated Negative Declaration (IS 20-116)

I move that the Planning Commission find that potential impacts associated with this project can be mitigated to 'less than significant' through the implementation of the Mitigated Negative Declaration (IS 20-116) submitted by Highland Farms, LP (Autumn Karcey) for the property located at 7508, 7522, 7634, & 7746 Highland Springs Road and 7257 & 7357 Amber Ridge Road in Lakeport, CA. (APNs 007-006-27, 34, 35, 40, 41, and 007-057-02) will not have a significant effect on the environment, and that the Planning Commission adopt Initial Study (IS 20-116) with the findings listed in the staff report dated May 23, 2024.

Major Use Permit (UP 20-96)

I move that the Planning Commission find that the Major Use Permit (UP 20-96) applied for by Highland Farms, LP (Autumn Karcey) for the property located at 7508, 7522, 7634, & 7746 Highland Springs Road and 7257 & 7357 Amber Ridge Road in Lakeport, CA. (APNs 007-006-27, 34, 35, 40, 41, and 007-057-02) does meet the requirements of Section 51.4 and Article 27 of the Lake County Zoning Ordinance and that the Major Use Permit be granted based on the findings and subject to the conditions included in the staff report dated May 23, 2024.

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 day following the Planning Commission's decision on this matter.*