

COUNTY OF LAKE
MAJOR USE PERMIT, UP 20-71
INITIAL STUDY, IS 20-86
CRUZ FAMILY FARMS LLC

CONDITIONS OF APPROVAL EXPIRES IF NOT USED BY:
JANUARY 11, 2026
VALID UNTIL JANUARY 11, 2034

Pursuant to the approval of the Planning Commission on January 11, 2024, there is hereby granted to Cruz Family Farms LLC a Major Use Permit, UP 20-71 with the following conditions of approval to allow the following Commercial Cannabis project: three (3) A-Type 3 medium outdoor cultivation licenses consisting of 130,680 square feet (sf) of outdoor cultivation area containing 110,000 sq. ft. of canopy, and one (1) A-Type 3B medium mixed light license consisting of 36,000 sf of cultivation area / 22,000 sf of canopy to be planted inside six (6) 30' x 200' greenhouses, all of which will be within a fenced enclosure. The applicant is also approved for one (1) A-Type 13 Distributor Transport Only, Self-distribution License. The cultivation sites are located on 8300 Old Dirt Road, Kelseyville (APN: 007-023-05). The project is subject to the following terms and conditions of approval:

A. GENERAL

1. The use hereby permitted shall substantially conform to the Site Plans, Project Description, Hydrology Analysis, Property Management Plan and any conditions of approval imposed by the Major Use Permit and Review Authority for the outdoor cannabis cultivation sites described above. Approval of this project is based on:
 - a. Property Management Plan received September 23, 2022
 - b. Site Plans, prepared by North Bay Canna Consulting, July 7, 2022
 - c. Hydrology and Drought Management Plan, received September 21, 2022
2. This permit does not abridge or supersede the regulatory powers or permit requirements of any federal, state, local agency, special district or department which may retain a regulatory or advisory function as specified by statute or ordinance. The applicant shall obtain permits as may be required from each agency.
3. Prior to issuance of any permits or operation of the site, the property shall be surveyed to ensure that the access road and all project components do not encroach onto neighboring properties.
4. Prior to cultivation, the applicant shall obtain building permits for all new structures that require building permits.
5. Prior to operation and construction, the applicant shall obtain permits from all necessary Federal, State, and local agencies for the construction/ development of any infrastructure.
6. Prior to operation, the applicant shall contact the Lake County Building Department to schedule an inspection(s) to ensure compliance with Public Resource Code sections 4290/4291.
7. Prior to operation, the applicant shall provide adequate security on the premises. All fencing installed shall contain screening material such as chain link with slats, or solid wood or metal fencing; fabric screening material is not permitted due to poor durability. The fence shall be a minimum of six (6) feet in height and cannot exceed eight (8) feet in height. If the fencing exceeds seven (7) feet height, the applicant shall obtain all necessary building permits.
8. If there is a change in the ownership or project manager, the new permit holder(s) shall submit notarized written documentation that they are formally taking over said permit to the Community Development Department for review and approval, including submitting the required application, proof of live-scan background check, and any applicable fees. The new applicant shall obtain written approval from all property owner(s), which authorize the tenant(s) or lessee(s) to cultivate cannabis at the project site(s). Said written verification, containing the property owner's signature, shall be notarized. A copy of the written approval shall be maintained by the tenant or lessee and made available for review upon request. Written approvals shall be renewed annually.
9. Prior to operation, the applicant is responsible for ensuring that all project workers are informed of, understand, and agree to abide by the approved plans and project conditions.
10. Prior to operation, all necessary permits shall be obtained from all applicable federal, state, and county agencies having jurisdiction over this project. Said permits shall be maintained for the life of the project.

11. Prior to this use permit being valid, vested, or operative, all necessary permits shall be obtained from all applicable federal, state and county agencies having jurisdiction over this project including , but not limited to, the Department of Cannabis Control, Department of Food and Agriculture, Department of Pesticide Regulation, Department of Fish and Wildlife, The State Water Resources Control Board, Board of Forestry and Fire Protection, Central Valley or North Coast Regional Water Quality Control Board, Department of Public Health, and Department of Consumer Affairs. Said permits shall be maintained for the life of the project.
 - A copy of said permits shall be submitted to the Lake County Community Development Department for review and approval. If permits are not required, the applicant shall obtain written documentation from each agency and submit said documentation to the Community Development Department.
 - If there is a change in name of the permit operator(s), the new permit operator(s) shall be responsible for ensuring all applicable permits are up to date.
12. Prior to operation, the applicant shall be enrolled in and comply with the *State of California Track and Trace* program and all requirements, including having all cannabis plants properly tagged. Additionally, the applicant shall submit written verification to the Lake County Community Development Department for review and approval.
13. The applicant shall not sell, transfer and/ or give cannabis or cannabis products, nor allow into the cultivation area, nor employ or retain any persons under the age of 21.
14. An applicant shall keep accurate records of commercial cannabis activity. All records related to commercial cannabis activity as defined by the State Licensing Authorities shall be maintained for a minimum of seven (7) years. Said records shall be made available upon request at any given time.
 - The County may examine the books and records of an applicant and inspect the premises of a permittee, when the County deems necessary, to perform its duties under this division. All inspections shall be conducted during standard business hours of the permitted facility or at any other reasonable time.
 - Applicants shall keep records identified by the County on the premises of the location permitted and the County may make any examination of the records of any applicant. Applicants shall also provide and deliver copies of such documents to the County upon request.
 - An applicant, or its agent or employee, that refuses, impedes, obstructs, or interferes with an inspection of the premises or records of the applicant pursuant to this section, has engaged in a violation of this article.
15. Prior to operation, all current and future applicants and/ or employees, including private contractors, shall undergo and pass a background check by the Lake County Sheriff Department. Pursuant to California Business and Professions Code, Section 26057, if an individual who has failed a background check becomes involved in any aspect of the cultivation process, or if any employee is involved with the cultivation who has not undergone a background check, the use permit will be brought before the Planning Commission for consideration of revocation. A list of all employees, including private contractors, shall be made available upon request.
16. The applicant shall provide adequate security measures per Article 27 of the Lake County Zoning Ordinance. Security plan shall be reviewed and approved by the Lake County Sheriff's Office.
17. Prior to the start of cultivation, all structure(s) used for commercial cultivation shall meet accessibility standards. Please contact the Lake County Community Development Department's Building Division for more information. This includes the restroom located in the dwelling, which shall be converted to an ADA-compliant restroom.
18. Prior to the start of cultivation, all accessible compliant parking areas, routes of travel, building access, and/ or bathrooms shall meet all California Building Code Requirements.
19. All handicap parking areas, routes of travel, building access, and bathrooms shall meet the Americans with Disabilities Act (ADA) requirements and be subject to review and approval of a Certified Accessibility Access Specialist (CASP).
20. 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.
21. This permit shall be null and void if not used by January 11, 2026 or if the use is abandoned for a period of two (2) years.
22. Prior to cultivation, the applicant shall designate at least 2,500 gallons of water in on-site tanks that can be connected to emergency response vehicle hoses.
23. The California Department of Fish & Wildlife filing fee shall be submitted as required by California Environmental Quality Act (CEQA) statute, Section 21089(b) and Fish and Game Code Section

711.4. The fee should be submitted to the Community Development Department within five days of approval of the mitigated negative declaration.

24. 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.
25. The operation shall not rely on generator(s) as a primary source of power and shall only allow properly permitted (when applicable) generators for temporary use in the event of a power outage or emergency that is beyond the applicant's control.
25. The permit holder shall pay the cannabis cultivation tax to the Lake County Tax Collector in accordance to the cannabis billing cycle. The applicant shall submit proof of payment to the Community Development Department within thirty (30) days of receiving payment confirmation. Failure to pay said cultivation tax will result in the initiation of permit revocation proceedings. For further details on cultivation taxes, please contact the Lake County Tax Collectors Office at (707) 263-2234.
26. The applicant shall adhere to all applicable requirements in the Lake County Zoning Ordinance and the Lake County Code.

B. AESTHETICS

1. Prior to greenhouse cultivation, the applicant shall use blackout screening in or on all greenhouses to prevent light from being visible from roads and neighboring dwellings. *Mitigation measure AES-1*
2. Prior to cultivation, the applicant shall install a 6' (or taller) screening fence around the greenhouse area. Any fence greater than 7' in height shall require a building permit. Acceptable screening materials include chain link with slats, solid wood or solid metal fencing. Fabric screening is not permitted due to poor durability. *Mitigation measure AES-2*
3. Any oak tree with a diameter of 5" or more that is removed shall be replaced at a 3:1 replacement ratio on the property. The replacement trees shall be a similar specie; shall be irrigated, and shall be kept in a healthy state over the duration of the project. *Mitigation measure AES-3*

C. AIR QUALITY

1. Prior to obtaining the necessary permits and/or approvals for this project, applicant shall contact the Lake County Air Quality Management District 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. *Mitigation measure AQ-1*
2. All mobile diesel equipment used must be in compliance with State registration requirements. Portable and stationary diesel powered equipment must meet the requirements of the State Air Toxic Control Measures for CI engines. *Mitigation measure AQ-2*
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 Lake County Air Quality Management District such information in order to complete an updated Air Toxic emission Inventory. *Mitigation measure AQ-3*
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. *Mitigation measure AQ-4*
5. Prior to cultivation, 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. *Mitigation measure AQ-5*
6. All areas subject infrequent use of driveways, over flow parking, etc., shall be surfaced with gravel. Applicant shall regularly use and/or maintain graveled area to reduce fugitive dust generations. *Mitigation measure AQ-6*
7. Prior to outdoor cultivation commencing, the applicant shall plant fragrant plants along the southern edge of the outdoor cultivation sites. Fragrant plants should bloom at approximately the same time as when the cannabis plants are ready to harvest. Fragrant plants shall be planted at no more than 2' intervals, and shall be maintained in a healthy state for the duration of the project. The site plan shall be revised to show the specific areas where these fragrant plants are to be planted, as well as the irrigation line locations necessary to water these plants. *Mitigation measure AQ-7*

D. BIOLOGICAL RESOURCES

1. Prior to tree removal or any ground disturbance, a pre-construction survey for special-status species shall be performed by a qualified biologist to ensure that special-status species are not present. If any listed species are detected, construction should be delayed, and the appropriate wildlife agency (CDFW and/or USFWS) should be consulted and project impacts and mitigation reassessed.

If construction activities including tree removal or brush clearing occur during the nesting season (typically February through August), a pre-construction survey for the presence of special-status bird species or any nesting bird species shall be conducted by a qualified biologist within 500 feet of proposed construction areas. If active nests are identified in these areas, CDFW and/or USFWS should be consulted to develop measures to avoid “take” of active nests prior to the initiation of any construction activities. *Mitigation measure BIO-1*

2. If the total area of ground disturbance from installation of the cultivation operation is 1 acre or more, the Cultivator must enroll for coverage under the General Permit for Discharges of Storm Water Associated with Construction Activity (Construction General Permit, 2009-0009-DWQ). *Mitigation measure BIO-2*
3. Prior to any tree removal, a nesting survey shall be conducted. Any tree containing a nest shall be avoided. Any oak tree removed with a diameter of 5” measured at 4.5’ above grade shall be replaced with a similar species on a 3:1 replacement ratio with a tree that is similar species. All trees shall be maintained in a healthy state for the life of the project, and shall be irrigated. Replacement trees may be planted in proximity to each other, however 10’ of separation shall occur between newly planted replacement trees.

E. CULTURAL / TRIBAL RESOURCES

1. Prior to initiation of ground disturbance activities, all on-site personnel of the project shall be trained in recognizing potentially significant artifacts that may be discovered during ground disturbance. Should any archaeological, paleontological, or cultural materials be discovered during site development, all activity shall be halted within 100 feet of the find(s), the applicant shall notify the culturally affiliated Tribe(s), and a qualified archaeologist to evaluate the find(s) and recommend mitigation procedures, if necessary, subject to the approval of the Community Development Director. No work shall commence within 100 feet of the find(s) until the recommended mitigation procedures, if necessary, has been adopted by the applicant. 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. *Mitigation measure CUL-1*
2. All employees shall be trained in recognizing potentially significant artifacts that may be discovered during ground disturbance. If any artifacts or remains are found, the culturally affiliated Tribe(s) shall immediately be notified; a licensed archaeologist shall be notified, and the Lake County Community Development Director shall be notified of such finds. *Mitigation measure CUL-2*

F. ENERGY

1. Prior to cultivation, the applicant shall provide a solar panel plan. Solar panels shall be set back no less than 30’ from any property line and above-ground water source’s top of bank. Solar plan shall be reviewed and accepted by the Community Development Department prior to activation of the use permit that would allow cultivation to occur.

G. GEOLOGY AND SOIL

1. Excavation, filling, vegetation clearing, or other disturbance off the soil shall not occur between October 15 and April 15 unless authorized by the Community Development Department Director. The actual dates of the defined grading period may be adjusted according to weather and soil conditions at the discretion of the Community Development Director.
2. All erosion control and sedimentation prevention measures shall be monitored by the permit holder during the rainy seasons (October 15 to May 15), including during operation.

H. HAZARDS & HAZARDOUS MATERIALS

1. All equipment shall be maintained and operated to minimize spillage or leakage of hazardous materials. All equipment shall be refueled in locations more than 100 feet from surface water bodies. Servicing of equipment shall occur on an impermeable surface. In an event of a spill or leak, the contaminated soil shall be stored, transported, and disposed of consistent with applicable local, state, and federal regulations.

2. The storage of hazardous materials equal to or greater than fifty-five (55) gallons of a liquid, 500 pounds of a solid, or 200 cubic feet of compressed gas, then a Hazardous Materials Inventory Disclosure Statement/ Business Plan shall be submitted and maintained in compliance with requirements of Lake County Environmental Health Division. Industrial waste shall not be disposed of on site without review or permit from Lake County Environmental Health Division or the California Regional Water Quality Control Board. The permit holder shall comply with petroleum fuel storage tank regulations if fuel is stored on site.
3. Any spills of oils, fluids, fuel, concrete, or other hazardous construction material shall be immediately cleaned up. All equipment and materials shall be stored in the staging areas away from all known waterways.
4. 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.
5. The applicant shall obtain an Operator Identification Number from the California Department of Pesticide Regulation prior to using pesticides onsite for cannabis cultivation.

I. HYDROLOGY & WATER QUALITY

1. The project design shall incorporate appropriate BMPs consistent with County and State storm water drainage regulations to prevent or reduce discharge of all construction or post-construction pollutants and hazardous materials offsite or all surface water.
2. 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 begun at least three months prior to 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.
3. The illicit discharge of irrigation or storm water from the project parcel, as defined in Title 40 of the Code of Federal regulation, Section 122.26, which may result in degradation of water quality of any water body is prohibited.
4. The applicant shall maintain all necessary permits from the Central Valley Regional Water Quality Control Board and submit written verification to the Community Development Department. A copy of all permits shall be included in the Annual Performance Report.
5. The applicant shall maintain a legal water source on the premises, and shall obtain and maintain all necessary Federal, State, or local permits required to utilize the water source. If the permitted activity utilizes a shared source of water from another site, such source shall be a legal source, have all Federal, State, or local permits required to utilize the water source, and have a written agreement between the property owner of the site where the wells are located and the permitted activity agreeing to use the permitted water source and all terms and conditions of that use.
6. The use of water provided by a public water supply, unlawful water diversions, transported by a water hauler, bottled water, a water-vending machine, or a retail water facility is prohibited. The utilization of water that has been or is illegal diverted from any lake, springs, wetland, stream, creek, vernal pool and/or river is prohibited. The applicant shall not engage in unlawful or unpermitted drawing of surface water.
7. The applicant may use water supplied by a licensed retail water supplier, as defined in Section 13575 of the Water Code, on an *emergency basis only*. The applicant shall notify the Community Development Department within seven (7) days of the emergency and provide the following information: (a) A detailed description of the emergency; (b) Identification of the retail water supplier including license number; (c) The volume of water supplied and actions taken to prevent the emergency in the future.
8. Prior to cultivation, the applicant shall install straw wattles around the cultivation sites in a manner that retains stormwater within the cultivation area.

J. NOISE

1. The maximum non-construction related sounds levels shall not exceed levels of 55 dBA between the hours of 7:00AM to 10:00PM and 45 dBA between the hours of 10:00PM to 7:00AM within residential areas at the property lines. *Mitigation measure NOI-1*

2. All construction activities, including engine warm-up, shall be limited Monday through Friday, between the hours of 7:00am and 7:00pm to minimize noise impacts on nearby residents. Back-up beepers shall be adjusted to the lowest allowable levels. *Mitigation measure NOI-2*
3. The maximum one-hour equivalent sound pressure received by a receiving property or receptor (dwelling, hospital, school, library, or nursing home) shall not exceed levels of 57 dBA between the hours of 7:00 a.m. to 10:00 p.m. and 50 dBA from 10:00 p.m. to 7:00 a.m. within residential areas measured at the property lines. *Mitigation measure NOI-3*

K. TRANSPORTATION

1. Prior to cultivation, the applicant shall improve the interior driveway in a manner that complies with Public Resource Code sections PRC 4290 and 4291. This includes, but is not limited to, surface material, road slope, road width, turnouts, vertical clearance. The applicant shall contact the Lake County Building Department to schedule a 4290 and 4291 inspection prior to any cultivation activity occurring on the site.
2. Prior to cultivation, the project shall have 100' of defensible space around each building on site.
3. Gates shall not be constructed across driveways or access roads that are used by neighboring properties or the general public. Gates constructed across public access easements are subject to removal per State Street and Highway Codes. A Knox box is required on all gated entrances.
4. Prior to final inspection, all Accessible Compliant Parking Areas, routes of travel, building access and/or bathrooms shall meet all California Building Code Requirements.

L. TIMING & MITIGATION MONITORING

1. The permit holder shall permit the County of Lake or representative(s) or designee(s) to make periodic and/ or annual inspections at any reasonable time deemed necessary in order to assure that the activity being performed under authority of this permit is in accordance with the terms and conditions prescribed herein.
2. The applicant shall submit an *Annual Performance Review Report* their initial date of operation for review and approval by the Planning Commission. The Planning Commission may delegate review of the *Annual Performance Review Report* to the Community Development Director at the time of the initial hearing or at any time thereafter. The *Annual Performance Review Report* shall identify the effectiveness of the approved Major Use Permit, Operations Manual, Operating Standards, and Conditions of Approval, as well as the identification and implementation of additional procedures deemed necessary. In the event the Planning Commission identifies issues with the Annual Performance Review Report, it may lead to revocation of the approved use and/or the Planning Commission may require the submittal of more frequent Performance Review Reports. Additionally, the Performance Review Report shall include the following:
 - The project parcel shall be inspected by the Community Development Department on an Annual Basis and/or less frequently if approved by the Community Development Director. A copy of the results from said inspection shall be provided to the applicant to for inclusion in their Performant Review Report.
 - A Compliance Monitoring Fee shall be paid by applicant and accompany the Performance Review Report. A Compliance Monitoring Inspection of the Cultivation Site shall be conducted annually during growing season. The applicant shall contact the Community Development Department to schedule each inspection.
 - If there are no violation of the use permit and/or State License during the first five (5) years, the inspections may be reduced by the Community Development Director to not less than once every 5 years
 - Non-compliance by the applicant by not allowing the inspection by the Community Development Department, or refusal to pay the required fees, or noncompliance in submitting the annual "Performance Review Report" for review by the Planning Commission shall be deemed grounds for a revocation of the development permit or use permit and subject the holder of the permit(s) to the penalties outlined in this Code.
3. The applicant(s) shall submit an application for renewal of the authorized use to the Community Development Department a minimum of 180 days prior to the expirations date of said use. Failure to submit an application for renewal at least six months prior to the expiration date of the permit may result in the expiration of the permit. Applicant(s) shall submit the required application, associated fees and the following additional information which may include but is not limited to:
 - A copy of all licenses, permits, and conditions of such licenses or permits related to the project from state agencies as appropriate including, but not limited to the California Department of Food and Agriculture, Department of Pesticide Regulation, Department of Fish and Wildlife, The State Water Resources Control Board, Board of Forestry and Fire Protection, Central Valley or North Coast Regional Water Quality Control Board, and the Department of Public Health.
 - A copy of all reports provided the County and State agencies as determined by the

Director.

- Documentation that the applicant is still qualified to be an applicant.
- Any proposed changes to the use permit or how the site will be operated.
- Payment of all fees as established by resolution by the Board of Supervisors.

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

Mireya G. Turner, Director
COMMUNITY DEVELOPMENT DEPARTMENT

Prepared by: EJP

By: _____
Ruby Mitts, Office Administrator III

ACCEPTANCE

I have read and understand the foregoing Major Use Permit and agree to each and every term and condition thereof.

Date: _____

Applicant or Authorized Agent Signature

Printed Name of Authorized Agent