



COUNTY OF LAKE
 COMMUNITY DEVELOPMENT DEPARTMENT
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 Planning • Building • Code Enforcement
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Item 6a
 9:05 AM
 July 24, 2025

STAFF REPORT

TO: Planning Commission

FROM: Mireya G. Turner, Director
 Laura Hall, Senior Planner

DATE: July 24, 2025

SUBJECT: Consideration of PL-25-112: EIR 24-01, DA 24-01, AM 24-01, GPAP 24-01, GPAP 24-02, RZ 24-01, GPD 24-01, UP 24-05, RZ 24-02, UP 24-08¹, for the Guenoc Valley Mixed Use Planned Development Project² at the following locations: 22671, 22901, 23534, 23573, 24221, 24566, 24783, 25111 Grange Rd; 22500, 23597, 24563, 26753 Jerusalem Grade Rd; 22900, 23510, 25470, 23450 Guenoc Valley Road; 23790, 23120, 24245, 24355, 24385, 24425, 24275, 24683, 24733 Bohn Valley Rd; 19506, 19862, 21323, 21423, 21423, 21523, 21665, 22000, 22110, 22725, 22880, 23150, 23351, 23250, 23350, 23375, 23400, 23650, 24150, 24305, 24350, 24090 Butts Canyon Road; 23501 Oat Hill Road; 21000 Santa Clara Road; and 20740, 20830 State Highway 29 (APNs: 013-015-59 & 60; 013-016-04, 06, 08, 10, 12, 13, 15, 16, 17, 18 & 19; 013-019-22, 23, 24 & 25; 013-021-05, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25 & 26; 013-022-08, 09, 10, 11, 12, 13, 16, 17, 18, 19, 20, 21, 22, 23 & 24; 013-023-06, 09, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24 & 25; 013-024-29, 30, 31, 33, 34, 35, 36, 37, 38, 39 & 40; 013-053-01; 014-004-25; 014-310-07 & 09; 014-320-08 & 10; 014-330-09; 014-340-04, and 014-380-09). Applicant: Lotusland Investment Holdings, Inc.

- ATTACHMENTS:**
1. Partially Revised Environmental Impact Report (PREIR):
 - a. Final PREIR (July 2025)
 - b. March 2025 Draft PREIR
 - c. July 2024 Draft PREIR
 2. Draft Conditions of Approval
 3. Mitigation Monitoring and Reporting Program
 4. Findings of Fact and Statement of Overriding Considerations
 5. Comments on Request for Review of Application

¹ EIR= Environmental Impact Report, DA= Development Agreement, AM= Zoning Ordinance Amendment, GPAP= General Plan Amendment, RZ= Rezone, GPD= General Plan of Development, and UP= Major Use Permit.

² PL-25-112 also includes the following Tentative Subdivision Maps (SD) that will seek entitlement in a future hearing: 24-01, SD 24-02, SD 24-03, SD 24-04, SD 24-05

6. Tribal Comments
7. 2020 Environmental Impact Report (2020 EIR)
 - a. Draft 2020 EIR: Volume I (February 2020)
 - b. Draft 2020 EIR: Volume II (Appendices) (February 2020)
 - c. Final 2020 EIR: Volume I (Response to Comments) (June 2020)
 - d. Final 2020 EIR: Volume II (Revised EIR) (June 2020)
 - e. Final 2020 EIR: Volume III (Appendices) (June 2020)
 - f. Final 2020 EIR: Errata (July 2020)
8. General Plan and Zoning Maps
9. Proposed General Plan of Development (GPD)
10. Proposed Specific Plan of Development (SPD)
11. Draft Guenoc Valley District (GVD) Design Guidelines
12. Draft Ordinance Establishing GVD Development Standards
13. Draft Ordinance for GVD Zoning Map Rezone (RZ)
Exhibit A: GVD Rezone Map
14. Draft Ordinance Santa Clara Site Rezone
Exhibit A: Santa Clara Housing Site Rezone Map
15. Draft Resolution for Guenoc Development Agreement (DA)
Exhibit A: Development Agreement
Exhibit B: GPD (see Attachment 9)
Exhibit C: SPD (see Attachment 10)
16. Draft Resolution for General Plan Amendment Policy (GPAP)
LU 6.12
17. Draft Resolution for GV General Plan Amendment
Exhibit A: General Plan Amendment List of Properties and Map
Exhibit B: CEQA Findings (see Attachment 4)
18. Draft Resolution for Water Supply Assessment
Exhibit A: Water Supply Assessment

EXECUTIVE SUMMARY

The Planning Commission is being asked to conduct a public hearing to approve or deny PL-25-112; UP 24-05, UP 24-08, and certify the accompanying Final Environmental Impact Report (EIR) as well as make recommendations to the Board of Supervisors about changes to the Lake County General Plan, the Middletown Area Plan, and the Lake County Zoning Ordinance related to the Guenoc Valley Mixed Use Planned Development Project (Project). In doing so, the Planning Commission will review and consider the Final EIR prepared for the Project, as well as oral and written comments from interested parties and written materials prepared by County staff.

The purpose of this hearing is for the Planning Commission to certify that the Final EIR is in compliance with the California Environmental Quality Act (CEQA), adopt the CEQA Findings of Fact, Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting program, approve the Guenoc Valley Mixed Use Planned Development

and Middletown Housing Site Major Use Permit, and make recommendations to the Board of Supervisors on its adoption of a General Plan Amendment, Rezone, Zoning Amendment to Adopt a New Zoning District, General Plan of Development, Specific Plan of Development, and a Development Agreement. Tentative subdivision map approval for the Guenoc Valley Site (SD 24-01 Maha Farm; SD 24-02 Equestrian Center; SD 24-03 Denniston Golf Estates; SD 24-04 Bohn Ridge) and the Middletown Housing Site (SD 24-05 Santa Clara) will be sought separately.

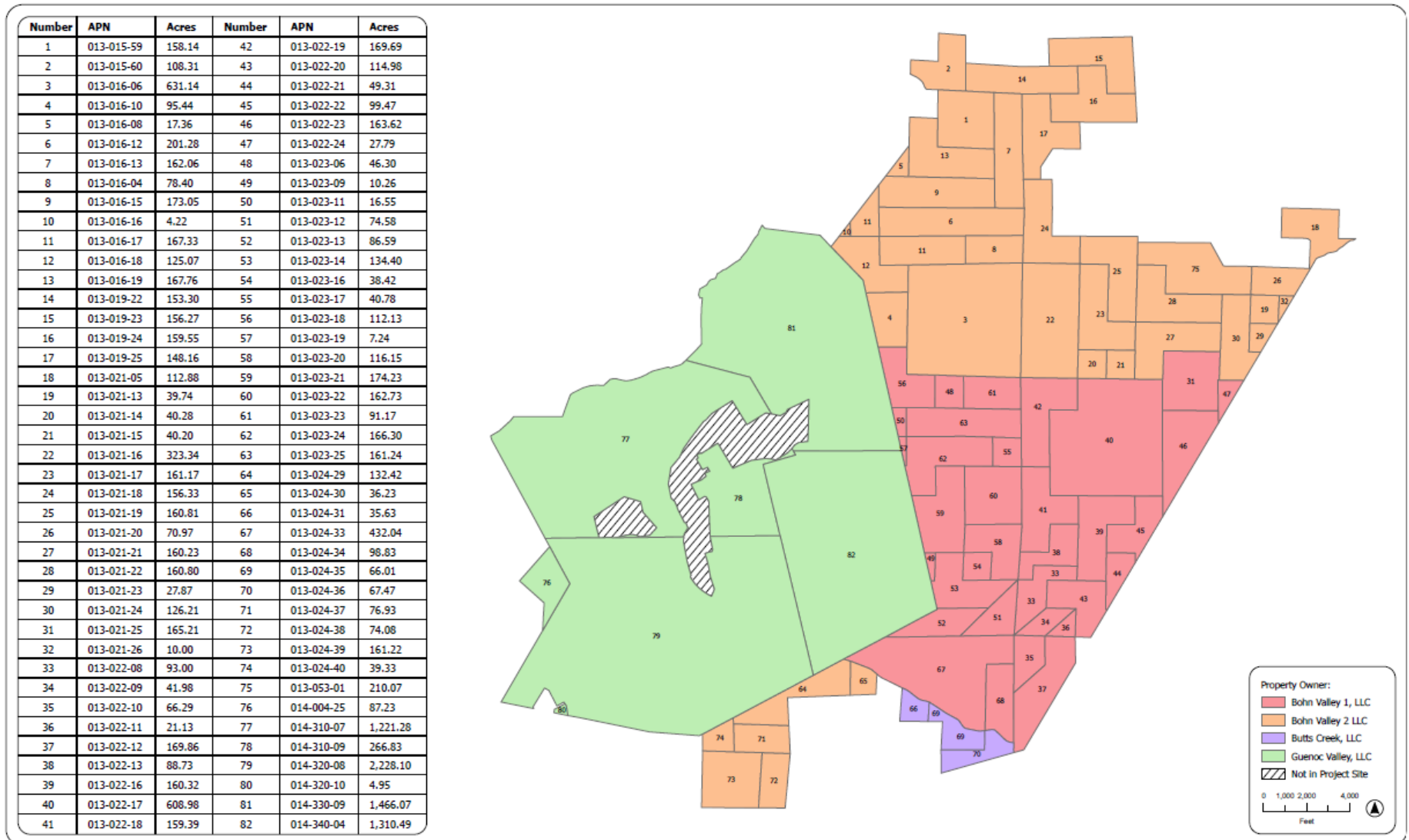
The Project includes the development of a master planned mixed-use resort and residential community within a portion of the Guenoc Valley Ranch property (Guenoc Valley Site or Project Site). The Project includes a General Plan amendment to designate the 16,000-acre Guenoc Valley Site as Resort Commercial and rezone to Guenoc Valley District (GVD). At full buildout, throughout multiple phases, this Project would allow for the development of up to 400 hotel rooms, 450 resort residential units, 1,400 residential estates, and 500 workforce co-housing units within the zoning district. Phase 1 of the Project includes the phased subdivision and related entitlements to allow up to 385 residential villas, 141 resort residential units, 147 hotel units, and accessory resort and commercial uses. In addition, Phase 1 includes a subdivision and rezoning of an off-site parcel (Middletown Housing Site) to accommodate 21 single family residences with optional accessory dwelling units, 29 duplex units in 15 structures, and a community clubhouse and associated infrastructure. Other off-site infrastructure improvements under Phase 1 analyzed include a proposed water supply well on an off-site parcel (Off-Site Well Site) and pipeline located adjacent to and within Butts Canyon Road, along with intersection and electrical transmission line improvements (collectively referred to as 'Off-Site Improvements').

The Final EIR consists of the entire 2020 EIR (Draft EIR, Final EIR, and Final EIR Errata), the Partially Revised EIR (July 2024 Draft PREIR, March 2025 Draft PREIR and July 2025 Final PREIR), and all appendices thereto and all of the supporting information. Each of the 2020 Draft and Final EIR, the Final EIR Errata, and the 2025 Draft and Final Partially Revised EIR (EIR 24-01) can be viewed on the Lake County website at: <https://lakecountycalifornia.gov/Guenoc-Valley>, or on the State Clearinghouse website under SCH No. 2019049134³. A hardcopy of the 2025 Draft PREIR and Final PREIR may also be viewed at the County of Lake, Community Development Department, located at 255 N. Forbes St., Lakeport; or at the Middletown Library, located at 21256 Washington St, Middletown.

Figure 1 includes the Project parcel map and **Figure 2** provides a regional map of the Guenoc Valley Site, Middletown Housing Site, and Off-Site Well Site.

³ The 2020 EIR, including Draft EIR, Final EIR, and Final EIR Errata, is provided as Appendix D to the March 2025 Draft PREIR.

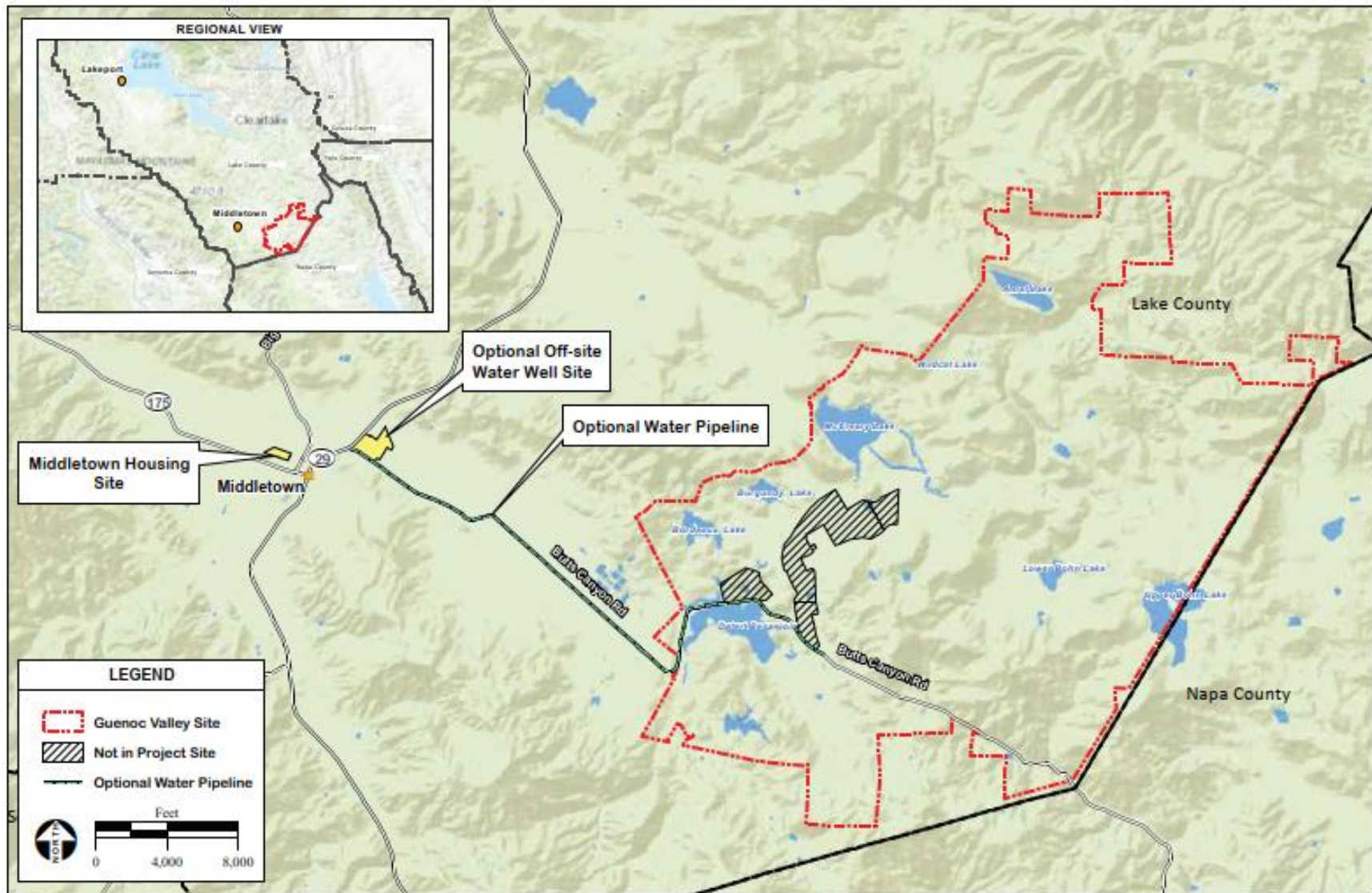
Figure 1: Site Map



SOURCE: Lobland Investment Holdings, Inc., 2025; Acorn Environmental, 6/19/2025

Source: Acorn Environmental, 2025

Figure 2: Regional Location



Source: WRA Environmental, 8/2019. Lotusland Investment Holdings, Inc. 7/2019; United States Geological Survey, 2019; AES, 2/12/2020.

PROJECT SUMMARY

<u>Project Title:</u>	Guenoc Valley Mixed-Use Planned Development Project
<u>Project Numbers:</u>	PL-25-112: AM 24-01, DA 24-01, GPAP 24-01, GPAP 24-02, RZ 24-01, GPD 24-01, UP 24-05, UP 24-08, RZ 24-02, UP 24-08 and EIR 24-01 Tentative Subdivision Maps also associated with PL-25-112 but not subject to this hearing: SD 24-01, SD 24-02, SD 24-03, SD 24-04, and SD 24-05
<u>Applicant Name/ Address:</u>	Lotusland Investment Holdings Inc./ P.O. Box 2549 San Francisco, CA 94126-2549
<u>Property Owner:</u>	Bohn Valley 1, LLC; Bohn Valley 2, LLC; Butts Creek, LLC; Guenoc Valley, LLC; LIH SCR Holdings Inc.; LIH 29 Holdings Corporation
<u>Project Location:</u>	22671, 22901, 23534, 23573, 24221, 24566, 24783, 25111 Grange Rd; 22500, 23597, 24563, 26753 Jerusalem Grade Rd; 22900, 23510, 25470, 23450 Guenoc Valley Road; 23790, 23120, 24245, 24355, 24385, 24425, 24275, 24683, 24733 Bohn Valley Rd; 19506, 19862, 21323, 21423, 21423, 21523, 21665, 22000, 22110, 22725, 22880, 23150, 23351, 23250, 23350, 23375, 23400, 23650, 24150, 24305, 24350, 24090 Butts Canyon Road; 23501 Oat Hill Road; 21000 Santa Clara Road; and 20740, 20830 State Highway 29
<u>Assessor's Parcel Number(s) (APNs):</u>	013-015-59 & 60; 013-016-04, 06, 08, 10, 12, 13, 15, 16, 17, 18 & 19; 013-019-22, 23, 24 & 25; 013-021-05, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25 & 26; 013-022-08, 09, 10, 11, 12, 13, 16, 17, 18, 19, 20, 21, 22, 23 & 24; 013-023-06, 09, 11, 12, 13, 14, 16, 17, 18, 19, 20, 21, 22, 23, 24 & 25; 013-024-29, 30, 31, 33, 34, 35, 36, 37, 38, 39 & 40; 013-053-01; 014-004-25; 014-310-07 & 09; 014-320-08 & 10; 014-330-09; 014-340-04; and 014-380-09
<u>Parcel Size(s):</u>	15,951.70 acres and Middletown Site: 12.75 acres
<u>General Plan:</u>	Public Facilities - Resource Conservation - Agriculture - Rural Lands - Rural Residential - Suburban Residential

Reserve - Low Density Residential - Local Commercial-
Community Commercial - Service Commercial - Industrial

Middletown Housing Site: Low Density Residential and
Resource Conservation

Zoning:

Guenoc Valley Site: “O” Open Space - “A” Agriculture -
“APZ” Agriculture Preserve - “RL” Rural Lands - “RR” Rural
Residential - “SR” Suburban Reserve - “R1” Single-Family
Residential - “C1” Local Commercial - “C2” Community
Commercial - “C3” Service Commercial - “M2” Heavy
Industrial – “FF” Floodway Fringe Combining, “SC” Scenic
Combining, “WW” Waterway Combining, and “W”
Wetlands Combining

Middletown Housing Site: “R1” Single-Family Residential –
“FF” Floodway Fringe Combining – “FW” Floodway
Combining – “WW” Waterway Combining

Flood Zone:

The majority of the Guenoc Valley Site is within Zone D,
which designates areas where the Federal Emergency
Management Agency (FEMA) has conducted no analysis.
A smaller portion of the project site is within Zone X, which
designates areas determined by FEMA to be outside of the
0.2% annual chance floodplain. A small area surrounding a
portion of Bucksnot Creek, which connects McCreary
Lake to Detert Reservoir is classified as Zone A, an area
subject to inundation by the 1% annual chance flood (100-
year flood).

Grange Road Connector alignment is located in areas of
Zone X (0.2% annual chance flood) but the portion along
Bucksnot Creek is mapped as Zone A (1% annual
chance). This portion of Bucksnot Creek has been
analyzed by FEMA and the extent of the 100-year
floodplain is depicted on the FIRM.

Middletown Housing Site: Zone AO (1% annual chance
flood hazard zone with a two-foot base flood elevation),
which corresponds to the 100-year flood zone. Dry Creek
borders the western edge of the site, and thus a small
portion of the Middletown Housing Site is classified as AE,
a Regulatory Floodway.

Fire Protection: South Lake County Fire Protection District

Fire Severity: State Responsible Agency: Very High, High, and Moderate Severity Zones

Project Location

The Guenoc Valley Site (Project Site) consists of 82 existing parcels covering approximately 16,000 acres located in the southeast portion of incorporated Lake County (County), as shown in **Figure 1**. The site is generally bounded by Long Valley and Coyote Valley to the west, a U.S. Coast Guard LORAN station military reservation to the northwest, the Cedar Mountains to the north, and the Lake County / Napa County border to the east. The project site is located in the “Middletown,” “Jericho Valley,” “Detert Reservoir,” and “Aetna Springs” U.S. Geological Survey (USGS) 7.5 Minute Topographic Quadrangles. The Project Site is located north and south of an approximately five-mile segment of Butts Canyon Road, approximately four miles east of the intersection of State Route (SR) 29 / Butts Canyon Road, and 1.5 miles west of the intersection of Snell Valley Road / Butts Canyon Road. The Project Site is approximately 3.5 miles east of the unincorporated community of Middletown and is directly adjacent to the Napa County line. **Figure 2** shows the regional area of the Guenoc Valley Site and the Middletown Housing Site. The present use of the property includes vineyards, grazing, horse trails, a hunting lodge, and a few residences. The Guenoc Valley Site does not include an area of approximately 360 acres which contains the Langtry winery and the Lily Langtry estate home.

The Middletown Housing Site is located at 21000 Santa Clara Road, accessed off Hwy 171, approximately 0.4 miles from its intersection with SR 29. This property was the subject of a 50-lot subdivision approved in 2006, which has expired; the requested Off-Site Workforce Housing follows a similar lot layout.

It should be noted that the EIR evaluated the construction of a new pipeline within the right of way of Butts Canyon Road from an offsite well property located on the northeast corner of Butts Canyon Road and SR 29, however the Applicant is not requesting any project specific entitlements to install it at this time.

Project History and Legal Proceedings Background

2020 EIR Certification and Superior Court Ruling

In July 2020, the County of Lake Board of Supervisors certified an EIR for the Guenoc Valley Mixed-Use Planned Development Project (State Clearinghouse No. 2019049134), which approved entitlements to allow mixed-use commercial, residential, and resort development of 16,000 acres. The project approvals and certification of the EIR were subsequently challenged by the Center for Biological Diversity (CBD) and California Native Plant Society (CNPS), who filed petitions for writs of mandate in the Superior Court challenging the County’s certification of the EIR, asserting that the EIR was inadequate

under CEQA on various grounds. The petitions were consolidated for purposes of briefing and hearing under Lake County Superior Court Case Number CV 421152. The State Attorney General intervened in the pending CBD action and filed its own petition for writ of mandate (Case Number CV 421193).

On January 4, 2022, the Lake County Superior Court issued a Ruling and Order on Petitions for Writ of Mandate and issued two separate writs of mandate (Trial Court Ruling and Order [Appendix A-1 of Attachment 1b]). The Superior Court found that the EIR adequately complied with CEQA in all areas except for its analysis of impacts relating to community evacuations, where the Court identified two errors with the 2020 EIR analysis. The first is that the “evidence primarily addresses the issue of whether the Project’s residents could safely leave the Project Site in the event of a wildfire. This evidence does not focus on the issue that is required to be addressed by CEQA; whether evacuation of the residents in the nearby area would be affected by the evacuation of the Project’s residents during a wildfire. Second, this evidence cannot be considered substantial evidence. Substantial evidence includes ‘expert opinion supported by facts.’ (14 California Code of Regulations [CCR] §15384[b]). Unsubstantiated opinion does not constitute substantial evidence. (14 CCR §15384[a]). The conclusion reached by the County as it relates to emergency evacuation plans is based on unsubstantiated expert opinions” (Appendix A-1 of Attachment 1b). In other words, more factual evidence was required to substantiate the expert opinions in support of the County’s findings relating to wildfire evacuation impacts.

On February 25, 2022, the Lake County Superior Court entered two separate judgments requiring the County to set aside its certification of the EIR; vacate its findings relating to impacts to community evacuation or an adopted emergency evacuation plan; set aside and vacate all approvals in connection with the County’s approval of the Project and certification of the EIR, including amendments to the Lake County General Plan, zoning ordinance text, and zoning maps; and take specific actions necessary to bring its EIR and findings as they relate to the single issue of community emergency evacuation routes into compliance with the Court’s Ruling and Order and CEQA (Judgement and Writ of Mandate [Appendix A-2 of Attachment 1b]).

Settlement Agreement

On July 5, 2022, the State filed a notice of appeal of the Superior Court’s decision. Subsequently, the Applicant voluntarily entered into a Settlement Agreement with the State to resolve the State’s petition and appeal which was thereafter dismissed (Attorney General Settlement Agreement [Appendix C of Attachment 1b]). The Settlement Agreement included several project modifications further reducing identified impacts under the 2020 EIR.

July 2024 Draft PREIR Circulation

The County prepared an initial Draft PREIR (Attachment 1c) to address the topic of community wildfire evacuation in order to comply with the Superior Court’s decision, as

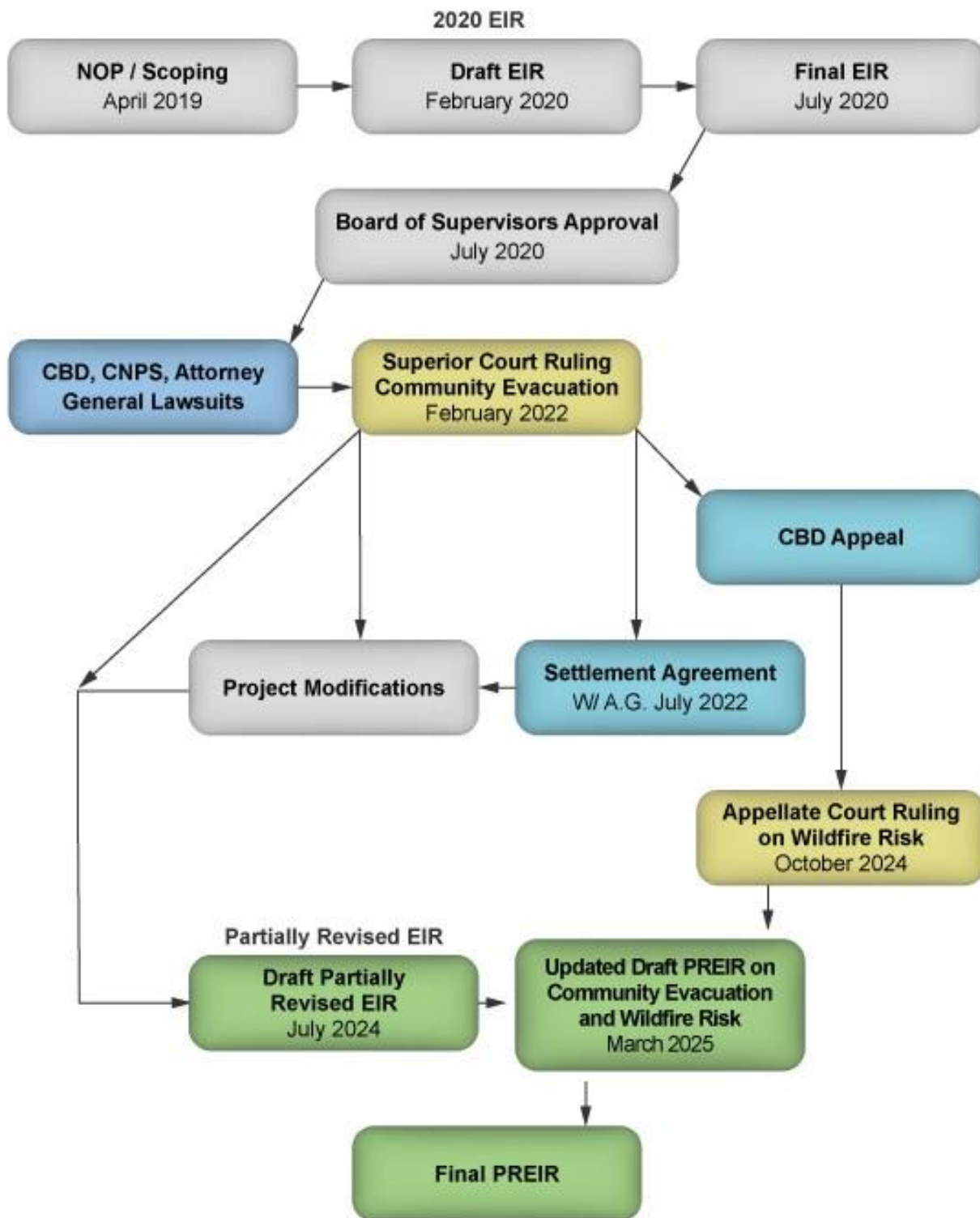
well as an analysis of the then-proposed modifications to the Project. The initial Draft PREIR was circulated for public review and comment for a period of 55 days that began on July 19, 2024, and ended on September 11, 2024. Additionally, the County Planning Division held a public meeting on September 9, 2024, to receive comments from government agencies and the public on the Draft PREIR. Written and oral comments were received but a Final PREIR responding to those comments was not released before the October 2024 First Appellate Court ruling that the EIR's wildfire risk analysis needed to be brought into compliance with CEQA.

First Appellate District Court of Appeal Decision

The CBD and CNPS appealed the trial court's judgments upholding portions of the 2020 EIR other than the analysis of wildfire community evacuation impacts. On October 23, 2024, the First Appellate District Court of Appeal (First Appellate Court) issued its decision. The First Appellate Court held that the 2020 EIR complied with CEQA in all areas remaining at issue on appeal (the Superior Court's conclusion regarding inadequacy of the community evacuation analysis was not appealed and therefore was not before the First Appellate Court) except for its analysis of impacts relating to wildfire risk resulting from the Project. With respect to the wildfire risk analysis, the First Appellate Court found two issues. First, the Court found that the additional wildfire risk analysis in the Errata to the 2020 FEIR and the letter submitted by the Applicant's attorney were presented too late and effectively precluded public review. Second, the Court found that the wildfire risk analysis failed to meaningfully assess the wildfire risk created by the Project's potential to increase human-caused wildfire ignitions. The First Appellate Court remanded the case to the Superior Court and directed it to issue an order and writ of mandate consistent with the First Appellate Court's decision.

March 2025 PREIR

In compliance with the First Appellate Court ruling, the Draft PREIR was updated and recirculated to address the deficiencies in the wildfire risk analysis identified by the First Appellate Court (Attachment 1b). The public review and comment period for the March 2025 Draft PREIR began on March 18, 2025, and ran through May 2, 2025, for a total of 45 days. **Figure 3** includes a diagram of the EIR process for the Project from 2019 to present, excerpted from the March 2025 Draft PREIR.

Figure 3: Environmental Impact Report Process Flow Chart

Source: Acorn Environmental, 2025

Project Modifications

In addition to the recirculation of the community evacuation and wildfire risk analyses as required by the Superior Court and First Appellate Court, respectively, the PREIR reviewed the Project Modifications for their potential to result in new or more severe significant environmental effects. The Project Modifications revise the Original Project analyzed in the 2020 EIR such that 25 building sites within the Equestrian Center area and 39 building sites within the northeastern portion of the Project Site would be relocated further from the wildland/urban interface, and various connector roads and road buffers would be added. The Project Modifications include voluntary measures and some contained within the Attorney General Settlement Agreement, which are intended to further reduce the wildfire risks and GHG emissions associated with the Project. The Project Modifications include the following:

- A new proposed emergency route called the Grange Road Connector will connect the Guenoc Valley Site with the County-maintained Grange Road to the north. The Grange Road Connector will be approximately 3.9 miles, with 2.2 miles occurring on the Guenoc Valley Site and 1.7 miles sited on the off-site property to the north;
- Relocating 25 residential building sites that the 2020 Project would have located on a hilltop near the proposed Equestrian Center and 39 residential building sites that the 2020 Project would have located within the northeastern portion of the Project site to move them further from the wildland/urban interface;
- Reconfiguring the roadway plan so that there are no dead-end, non-looped road segments that exceed 1-mile in length;
- Improving an area of approximately 10 feet on each side of roadways with hardscape, to the extent topography permits;
- Removal of the camping area in the northern portion of the property;
- Funding and staffing commitments for the onsite Emergency Response Center; and
- Various renewable energy commitments and greenhouse gas reduction measures that will not change the development footprint.

PROJECT DESCRIPTION

The Guenoc Valley Site consists of 82 existing parcels within approximately 16,000 acres of land, as shown in **Figure 1**. The Guenoc Valley Site is currently under General Plan land use designations of Agricultural, Resource Conservation, Rural Lands, and Rural Residential, and proposed to be Resort Commercial. For the Guenoc Valley Site, the Applicant is requesting approval of a General Plan and Zoning Ordinance Amendment, Rezone, a General Plan of Development, a Major Use Permit for a Specific Plan of Development (SPD) to allow a Mixed-Use Commercial Resort and a Development Agreement (see maps within Attachment 8). Implementation of these entitlements would also require future approval of Tentative Subdivision Maps, for which phased final maps would be recorded in the future. The overall approvals would allow a mixed-use development which would include a total of 400 hotel units, 450 resort residential units,

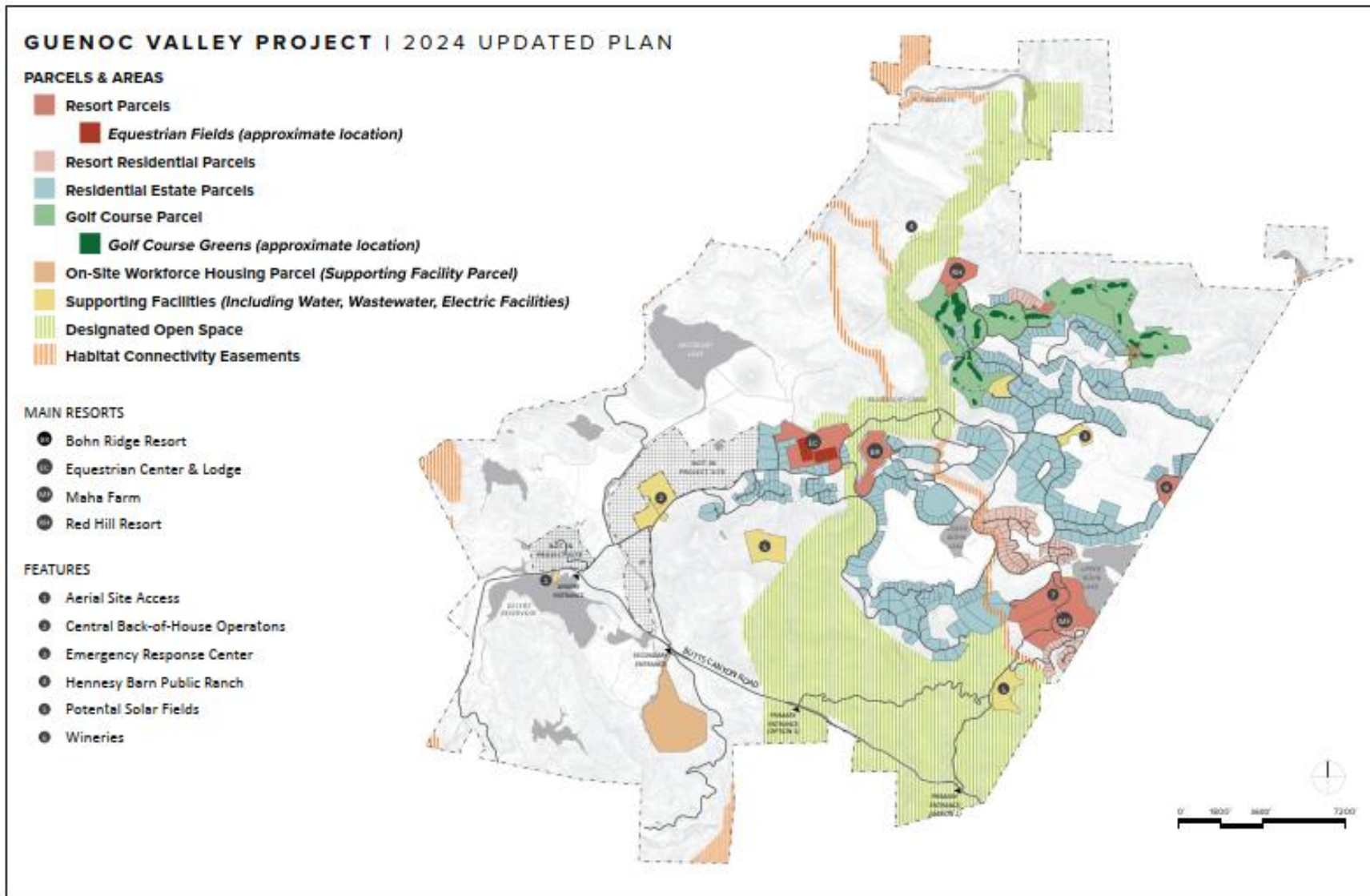
and 1,400 residential estate villas at the maximum buildout of the entire proposed GVD. The zoning map amendment would also include an Agricultural Preserve Combining District and an Open Space Combining District (see Exhibit A within Attachment 13 for the proposed zoning request). The Guenoc Valley Site would be developed over multiple phases. The first phase (Phase 1) will be constructed in the near term (approximately the next ten years) and future phases will be built out based on market demands. Phase 1, as described in the Proposed SPD (Attachment 10), requests approval for 147 hotel units, 141 resort residential cottages, 100 workforce housing co-housing units, and 385 residential villas. **Figure 4** illustrates the Proposed Phase 1 Site Plan with Project Modifications.

In addition, the Applicant requests approvals related to the Middletown Housing Site (also referred to as the Santa Clara Housing Site), including a rezone of approximately 3.5 acres from Single-Family Residential to Two-Family Residential, and a use permit for a community center (also referred to as a community clubhouse) to serve the housing site. Implementation of this entitlement would also require future approval of a Tentative Subdivision Map. The Middletown Housing Site is located at 21000 Santa Clara Road, accessed off of Hwy 171, approximately 0.4 miles from its intersection with State Route 29. This property was the subject of a 50-lot subdivision approved in 2006, which has expired; the requested Santa Clara subdivision follows a similar lot layout.

It should be noted that the EIR evaluated the construction of a new pipeline within the right of way of Butts Canyon Road from an offsite well property located on the northeast corner of Butts Canyon Road and State Route 29, however the Applicant is not requesting any project specific entitlements to install it at this time.

The proposed land uses and site plans for Phase 1 are defined in detail within the proposed updated SPD, and associated studies, but land use plans have not been developed for the future uses that would be allowable under the proposed GVD zoning designation for the Guenoc Valley Site. The proposed land uses that would be permitted under the requested GVD Zoning District are described in greater detail in the section below.

Figure 4: Project Site Plan with Modifications



Source: SWA Group, 2024.

Guenoc Valley Site

Below is a summary of the specific proposals for which the Applicant is requesting approval on the Guenoc Valley Site.

General Plan and Middletown Area Plan Amendment Request

In 2010 the Board of Supervisors adopted the Middletown Area Plan, which amplifies the goals and policies of the 2008 County of Lake General Plan. The Middletown Area Plan included three special study areas, of which, Special Study Area No. 3, Langtry/Guenoc, covers most of the Guenoc Valley Site. The Middletown Area Plan defined the Langtry/Guenoc special study area as follows:

This Special Study Area includes the lands comprising Langtry Farms, LLC and Guenoc Winery, Inc. located southeast of Middletown along Butts Canyon Road and about 15 miles north of Calistoga in the Guenoc Valley. Figure 6-3 is a map of this Special Study Area. It defines the vision for future development of the 16,000-acre Langtry property in more detail with a goal of allowing flexibility to create an economically diverse job base, innovative resort/residential communities, agritourism opportunities and resort related uses while at the same time protecting significant agricultural lands, open space and natural resources of the area.

This proposal includes a request to amend the General Plan land use designations for the Guenoc Valley Site to Resort Commercial, consistent with the intent of the Area Plan (Attachments 16 and 17). This designation would allow the proposed mixed-use development. Additionally, it is requested to amend Langtry/Guenoc Special Study Area map of the Middletown Area Plan to include the area commonly known as the college parcels (see Attachment 8).

Zoning Ordinance Amendment and Rezone Request

Existing zoning on the Guenoc Valley Site consists of “RL” Rural Lands, “A” Agriculture, “RR” Rural Residential, and “APZ” Agricultural Preserve Zone (Attachment 8). The proposed Zoning Ordinance Amendment would create a new Zoning District, the proposed GVD Zoning District (Attachment 12), and the proposed rezone would apply this new zoning district to the entire Guenoc Ranch to allow a mixed-use planned development including a primary focus on agriculture, resort, and accessory commercial and residential uses. Within the proposed GVD Zoning District there are two new combining districts proposed to preserve the rural character of the area: Designated Open Space (2,765 acres) and Agriculture (1,653 acres), both of which will preclude resort and residential development. These combining districts are in addition to the existing combining districts which will remain and include Floodway Fringe, Scenic, Waterway, and Wetlands. The existing combining districts under current County zoning are not proposed to change and therefore do not constitute a Project component. The Floodway Fringe (113 acre), Scenic (584 acre), Waterway (981 acre), and Wetlands (107 acre) combining districts are existing zoning overlays on the property and would remain under

the Project. These combining districts overlap with each other and overlap with the proposed zoning and proposed new combining districts.

Table 1 below contains a summary of the proposed GVD Zoning District primary uses. These uses would be allowed with the approval of a SPD. The Applicant is requesting approval of a SPD, as described below, for only the first phase of development, planned to cover the first ten years of development, and this phase is what was analyzed in the Final EIR at a project level. Development of any future phases will require the approval of a SPD for that development. For a breakdown of the development intentions between the GVD Zoning District and the Phase 1 and Future Phases, reference **Table 1**.

Table 1: Primary Uses

Uses	Characteristics	Total Permitted Uses with GVD (Units or Approximate Acreage)	Phase 1 (Project Level Analysis)	Future Phases (Program Level Analysis)
1. Resort Facilities*				
1.1 Hotel Units**	Hotel units are attached or detached hotel rooms without kitchens and include normal uses and structures related to the operation of a hotel. The hotel units are spread out between the following clusters: Maha Farm & Sales Center, Bohn Ridge, Denniston Golf Estates, Equestrian Center, and the Entourage Hotel for staff.	400 units	147 resort units; 0 temporary workforce units; 0 camp sites	(+/-) 200 units
1.2 Resort Residential Units**	Attached or detached units with kitchens; fractional or whole ownership*	450 units	141 units	(+/-) 300 units
2. Residential Development				
2.1 Residential Estate Villas*	Whole ownership units intended for sale and subject to GVD Design/Development standards*	1,400 units	385 units	(+/-) 1,000 units
2.2 Workforce Co-housing	Mixed unit types to accommodate essential employees for the various resorts and commercial uses; off-site locations being considered. Work force housing units are defined as a 400 square foot bedroom and bathroom unit with shared cooking and resting	500 cohousing units (bedrooms)	100 bedrooms	(+/-) 400 bedrooms

	areas, referenced as co-housing unit.			
3. Resort Amenities***				
3.1 Commercial & Retail	Includes but not limited to coffee shops, butcher shop, creamery, florist, fishmonger, art displays, bakery, newsagent or stand, post office, deli, wine store, restaurant(s), accessory retail stores, recording studio, car parking, public restrooms, open air markets, artisan workshops, gardens, pavilions, bowling, theater, educational facilities such as a culinary school, etc.	45 acres	141 acres	259 acres
3.2 Outdoor Entertainment	Includes but not limited to outdoor events such as sports events, conference centers, amphitheater, amplified music, etc.	55 acres		
3.3 Sports and Recreation	Includes but not limited to outdoor recreation areas such as: soccer, rugby, field hockey, football fields; tennis, bocce, basketball, badminton court, swimming pools and recreational surf complex. Indoor facilities include circuit training, organized classes, indoor courts, rock climbing, etc.	300 acres		
3.4 Equestrian Area	Indoor and outdoor arena, stables, polo club, polo fields, clubhouse, spectator area.	200 acres	100 acres	100 acres
3.5 Golf	Development of a new non-returning course and practice facility, clubhouses, storage and service areas, restrooms, and the potential to reconstruct the previous golf course (future phase).	616 acres	441 acres	175 acres
3.6 Spa and Wellness Area	Offering wide range of health and beauty services and accompanying amenities such as gym & yoga rooms, restrooms/showers, food services, and treatment rooms.	40 acres	0 acres	40 acres
3.7 Tented Camp Area	Includes semi-permanent tents for high end glamping opportunities and surrounding	45 acres	0 acres	45 acres

	outdoor recreational facilities such as but not limited to designated skeet shooting area, hunting, off road courses, fishing, etc. Open fires are prohibited within tented camp areas.			
4. Agriculture				
4.1 Agricultural Production Facilities	Wineries to allow production supported by accessory facilities Two boutique wineries with tasting rooms and accessory uses including caves for barrel storage, commercial kitchens.	57 acres (up to 850,000 gallons per year of production)	41 acres (150,000 gallon per year total production)	16 acres (700,000 gallons per year of production)
4.2 Accessory to Agricultural Production	Diversified agricultural production facilities included but not limited to herbal distillery, fruit dehydrations, jams and jellies production, creamery, aquaponics agriculture, tallow candles, flower arranging, and honey.	50 acres	34 acres	16 acres
4.3 Accessory to Livestock and Farm Management	Includes but not limited to barns, equipment storage facilities, fencing, etc.	50 acres	34 acres	16 acres
5. Essential Accessory Uses				
5.1 Back of House Facilities	Centralized shipping/receiving center, staff support services, centralized laundry facility, private entrance, staff parking, restrooms, maintenance and service areas, security.	75 acres	55 acres	20 acres
5.2 Fire Station and Emergency Response Center	Emergency Medical Professional (EMT) office to expand into a nurse station, emergency command center, kitchen, restrooms, service rooms, on-site emergency response vehicle storage, and overnight Entourage Units.	25 acres	18 acres	7 acres
5.3 Alternative Energy Production	Alternative energy sector for solar, wind, and geothermal resources	50 acres	50 acres	--
5.4 Float Plane Dock	Allowance for float plane landings on Detert Reservoir; welcome center; transportation services, refueling services	3 acres	3 acres	--

5.5 Helipads	For medical emergencies there will be a heliport landing center to be located next to the emergency response center, additional locations for guest arrivals and departure will be located proximal to the float plane dock and dedicated welcome kiosk.	2 acres	1 acre	1 acre
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* All short-term rentals under 30 days subject to the payment of Transient Occupancy Tax (TOT).

** Resort Hotel Units may be transferred to Resort Residential Unit allocations and vice versa.

*** Ability to swap Resort Amenities acreage between uses.

General Plan and Specific Plan of Development, and Major Use Permit

The General Plan of Development outlines the intention of the development (Attachment 9). The SPD refined the project and will ultimately be the governing use permit to allow development of Phase 1 of the land use as proposed (Attachment 10). Another requested approval is the Major Use Permit for the SPD.

In general, the mixed-use development includes four development clusters each designed by a different architect. The clusters are shown on **Figure 5** and include:

- Maha Farm
- Equestrian
- Denniston Golf Estates (formerly named Red Hill Estates).
- Bohn Ridge

The Maha Farm, Equestrian, and Bohn Ridge architectural clusters include hotel rooms within the primary structure immediately surrounded by resort residential units, and then low impact residential villa parcels. A central village called Maha Farm surrounds the Upper Bohn Lake, an existing agricultural reservoir to showcase farm-to-table concepts including a weekly farmers market, artisan barns to include local sources, agricultural products, a restaurant, a café, and market gardens.

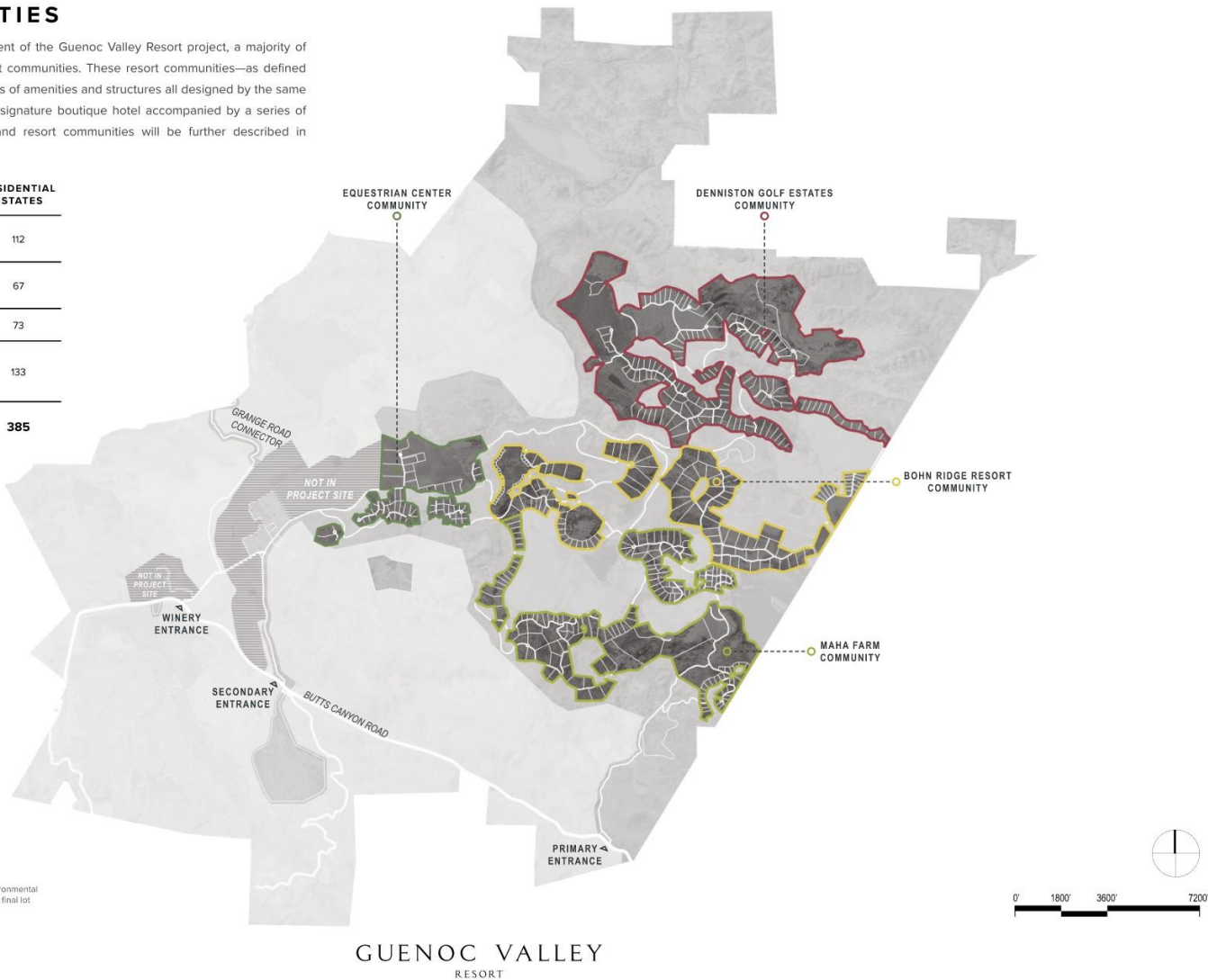
- A private residence club includes a sports and a recreational facility located near Maha Farm.
- The Equestrian Center includes two regulation polo fields, a pony camp, a clubhouse, and a lodge.
- The Bohn Ridge cluster includes resort facilities such as a pool, restaurant, and hotel units.

Figure 5: Proposed Resort Communnunities

RESORT COMMUNITIES

Although the site boundary determines the extent of the Guenoc Valley Resort project, a majority of development will occur within a series of resort communities. These resort communities—as defined by the boundaries shown below—include a series of amenities and structures all designed by the same architect. Each resort community will include a signature boutique hotel accompanied by a series of residential properties. These hotels, resorts, and resort communities will be further described in Section 3: Architecture and Land Use Plans.

	HOTEL UNITS	RESORT RESIDENTIAL UNITS	RESIDENTIAL ESTATES
BOHN RIDGE RESORT COMMUNITY	49	30	112
EQUESTRIAN CENTER COMMUNITY	50	0	67
MAHA FARM COMMUNITY	48	104	73
DENNISTON GOLF ESTATES COMMUNITY	0	7	133
TOTAL	147	141	385



Source: VDLA Designs, 2025

Supporting Infrastructure

- Back of House facilities which include all shipping and receiving and administrative support.
- Ground mounted solar panel areas over parking structures or within the landscape.
- Roadways and Trails.
- Electrical Distribution facilities.
- Water treatment facilities.
- Wastewater treatment facilities.

Each of the four different resort communities proposed under Phase 1 of the GVD would require future approvals of tentative maps based on the architectural cluster or planning communities within the master planned project. As shown in Table 2, the total new parcels in Phase 1 consist of 385 residential villa parcels, 141 resort residential parcels, 12 commercial parcels, 15 facility parcels, and 4 golf parcels. The peripheral parcels are the remaining parcels, for a total of 588 parcels. The Planning Commission will consider the tentative maps in a future hearing.

Table 2: Proposed Subdivision Lot Counts

Parcel Type	Maha Farms	Equestrian	Denniston Golf	Bohn Ridge	Total
Villa	73	67	133	112	385
Resort Residential	104	0	7	30	141
Commercial	5	1	4	2	12
Facility	1	11	3	0	15
Golf	0	0	4	0	4
Peripheral	8	7	8	8	31

Source: Sherwood Design Engineers, September 20, 2023.

Middletown Housing Site (Santa Clara Housing Site)

The Applicant is requesting approval of the following for the Middletown Off-site Workforce Housing Site which is a 12.75-acre site currently undeveloped located at the eastern terminus of Santa Clara Road, east of State Route 175:

- The Middletown Off-site Workforce Housing would consist of a 50-lot subdivision, with 21 single-family homes, each with 5 bedrooms, within the R1 zone.
- 29 duplex units on 15 lots within the Two Family Residential Dwelling (R2) Zone, each with 4 bedrooms, for a total of 221 bedrooms.
- Single-family units would typically be approximately 1,300 square feet and include an optional accessory dwelling unit and the duplexes would be approximately 1,900 square feet.
- All housing structures would be two-stories.

Rezone Request

The Applicant is requesting a Rezone for the Santa Clara Housing Site, which is approximately 3.5 acres of a 12.75-acre parcel from R1 to R2. This would allow for the multifamily duplex density within the inner portion of the larger parcel. The remainder of the property will remain R1. See the map within the Final EIR for the site layout (Figure 2-16 of Attachment 7d) and the Rezone Map as Exhibit A of Attachment 14.

Construction of the requested units on the Middletown Housing Site would require future approval of a Tentative Subdivision Map to allow for the subdivision of the off-site workforce housing development to subdivide into 38 parcels to include 21 single-family residential lots, 15 duplex lots, one community clubhouse lot, and a small park area vacant lot. The Planning Commission will consider the tentative map in a future hearing.

Use Permit for a Community Center (Clubhouse)

The community center (also referred to as a community clubhouse) would be constructed on an approximately one-acre area and include communal uses such as a meeting room, a kitchen, outdoor pool, and a small gym with adjacent parking. The community clubhouse would be for the use of residents of the Middletown Off-site Workforce Housing.

PROJECT SETTING**Guenoc Valley Site**

The following surrounding zoning designations and land uses are listed below:

- North: “RL” Rural Lands – “O” Open Space District – “WW” Waterway Combining District – “SC” Scenic Combining District – “APZ” Agricultural Preserve Zone (single-family residents and vacant lands)
- East: Napa County Zoning, Agricultural Watershed (vineyards and open space)
- South: Napa County Zoning, Agricultural Watershed (vineyards and open space)
- West: “RL” Rural Lands – “O” Open Space District – “WW” Waterway Combining District – “SC” Scenic Combining District, (cannabis farm and vacant lands)

Middletown Workforce Site

The following surrounding zoning designations and land uses are listed below:

- North: “R1” Single Family Residential – “O” Open Space District – “WW” Waterway Combining District (single-family resident)
- East: “R1” Single Family Residential – “R2” Two Family Residential – “R3” Multi-Family Residential (single-family resident)

- South: “R1” Single Family Residential – “R3” Multi-Family Residential (single-family residents)
- West: “SR” Suburban Reserve – “WW” Waterway Combining District (Dry Creek)

Guenoc Valley Project Setting

Existing Uses and Improvements

The Guenoc Valley Site parcels are currently developed with over 1,000 acres of vineyards and approximately 72 miles of existing roadways, overland water pipelines and associated pumps, and accessories to move water from the five irrigation reservoirs.

Guenoc Valley Site Surrounding Zoning and Land Uses

The Guenoc Valley Site is bordered by rural and agricultural lands that have a mix of dry grazing lands, vineyards, and irrigated pastures. The Cedar Mountains border the northeast side of the Guenoc Valley Site and a previous U.S. Coast Guard LORAN station military reservation to the northwest. The closest edge of the Hidden Valley Lake Community is approximately one mile northwest of the Guenoc Valley Site boundary and the Middletown Community is approximately six miles west.

Napa County borders the site to the south and east, and Yolo County is approximately five (5) miles northeast of the closest edge of the Guenoc Valley Site boundary.

Emergency Services Protection

The South Lake County Fire Protection District (SLCFPD) and California Department of Forestry and Fire Protection (CAL FIRE) would provide fire protection and fire suppression services and the Lake County Sheriff’s Office (LCSO) and California Department of Highway Patrol (CHP) would provide law enforcement services to this site.

Topography

The project area is located within a rural area of the County with slopes that range from approximately 20% to greater than 30%.

Soils

See Preliminary Geotechnical Analysis in Appendix GEO of the 2020 Draft EIR (Appendix GEOTECH of Attachment 7b).

Water Supply

Groundwater will serve the potable water supply and treated wastewater, combined with existing surface water rights, will serve the non-potable water demand. Refer to the Water Supply Assessment (WSA) and the Water Feasibility Study for more information (Exhibit

A of Attachment 18), as well as more recent well drilling test results included as Appendix G-1 of Attachment 1b.

Sewage Disposal

On-site wastewater treatment facilities are proposed to serve the project. See the Wastewater Feasibility Study in the 2020 EIR (Appendix WW of Attachment 7b).

Middletown Housing Site (Santa Clara Housing Site) Project Setting

Surrounding Zoning and Land Uses

This site is currently undeveloped and is surrounded by medium density residential and commercial uses to the east and south. Dry Creek and an undeveloped area bordering the site to the north and west.

Topography

Elevation ranges from approximately 1,095 feet above mean sea level (amsl) on the western portion of the site to 1,100 feet amsl on the eastern portion.

Flooding

As identified on the FEMA Flood Insurance Rate Map (FIRM), effective January 9, 2025, the Middletown Housing Site is located in Zone AO, a 1% Annual Chance Flood Hazard zone with a two-foot base flood elevation (FEMA, 2025). A 1% Annual Chance Flood Hazard Zone is the 100-year flood zone. Dry Creek borders the western edge of the site, and thus a small portion of the Middletown Housing Site is classified as AE, a Regulatory Floodway.

Water Supply

The Callayomi County Water District is proposed to supply potable water to the Middletown Housing Site, pending annexation request to the Local Agency Formation Commission (LAFCO); “will serve letter” provided.

Emergency Services Protection

The SLCFPD and CAL FIRE would provide fire protection and fire suppression services and the LCSO and CHP will provide law enforcement services to this site.

PROJECT ANALYSIS

An analysis was completed to determine if the Project complies with the 2008 Lake County General Plan, Lake County Code, and the Middletown Area Plan. The analysis is provided below.

General Plan and Middletown Area Plan Conformity

Response: The Project would re-designate the entire Guenoc Valley Site to Resort Commercial. The approval of a General Plan Amendment, Rezone, General Plan of Development and Major Use Permit for a Specific Plan of Development would ensure consistency with the goals and policies of the Lake County General Plan and the Middletown Area Plan by including resort activities, agricultural production, land stewardship, landscape preservation, outdoor recreational activities, and respect for cultural heritage and social cohesion. Please refer to the General Plan Consistency Table in the 2020 Draft EIR (Appendix GPCT of Attachment 7b).

General Plan Land Use Policy LU 6.12 limits the proportion of residential development that would be allowed with a Mixed Use Resort. The policy states that the residential component of a Mixed Use Resort shall not allow more residential units than resort units, unless the project is adjacent to a Community Growth Boundary, and other certain criteria are met. The full text of Policy LU-6.12 and a discussion of consistency is below.

Chapter 3 Land Use

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

Policy LU-6.12: The County shall encourage development of resorts while ensuring land suitability and compatibility with surrounding land uses. Mixed Use Resort proposals requesting increased residential density may be considered outside of Community Growth Boundaries provided that:

1. The primary scope of the project is resort commercial.
2. The resort provides substantial resort and recreational facilities that will be available to the public, and the project will specifically enhance the tourism objectives of the County.
3. The developer is able to adequately demonstrate that the additional residential units are necessary to support the infrastructure and public resort amenity costs for the overall project and the overall project is economically infeasible without the additional residential units.
4. The residential component is secondary and subordinate.
5. Applications are submitted as Planned Developments. For Mixed Use Resorts to include residential units, the development must be processed as a Planned Development. This process will be used to determine the appropriate number of residential units allowed.

Response: Policy 6.12 states that the residential component of a Mixed Use Resort shall not allow more residential units than resort units, unless the project is adjacent to a Community Growth Boundary and five other criteria are met. The Project consistency with each of these five points is as follows:

1. The primary scope of this Project is resort commercial, reflected in the first Project Objective stated in the Final EIR (see Section 2.4 of Attachment 7c).

2. *The Project includes numerous resort and recreational facilities, including the development of a golf course, equestrian areas, bicycle and pedestrian trails, and open space. Future phases of the Project will include a camping area. Agritourism is an important Project component, described throughout the SPD (Attachment 10).*

3. *The Project includes several types of residential development including workforce housing on the Guenoc Valley Site and the Middletown Housing Site, residential villas, and resort residential units. The workforce housing units will support the successful operation of the Project, encourage employees to participate in the surrounding community, and provide environmental benefits associated with carpooling, ridesharing, and other traffic reduction measures. The residential villas and resort residential units provide multiple opportunities for guests to own, rent, or visit the proposed resort communities. These residential units are necessary to support the economics of the overall Project, but are restricted by the same Design Guidelines (Attachment 11) and proposed GVD Zoning (Attachment 12) to ensure that any residential component does not detract from the overall primary resort use.*

4. *The residential component is secondary and subordinate to the resort. Resort Commercial provides for a variety of commercial uses oriented towards tourists and visitors to the county. These uses typical include but are not limited to agriculturally based tourism, recreation activities (e.g., golf courses), dining, entertainment services, destination-resorts, lodging facilities such as, but not limited to hotels, motels, retreats, fractional ownership lodging units and time-share units, wineries, spas, and on-site residential uses if secondary and subordinate to commercial resort uses. This designation is located both inside and outside of Community Growth Boundaries.*

5. *Applications for a General Plan of Development and a Specific Plan of Development were submitted for the project.*

6.12.1 Except as provided in 6.12.2 below, the residential component of a Mixed Use Resort shall not allow more residential units than resort units during the course of construction and at build out.

6.12.2 If a Mixed Use Resort is adjacent to a Community Growth Boundary and public infrastructure (sewer, water, fire, schools) are available, the number of residential units needed to support resort amenities may exceed the number of resort units, if it is determined that the project will specifically enhance the tourism objectives of the County. However, the number of residential units compared to resort units shall not exceed a 2:1 ratio and in no case shall the residential density exceed one residential unit per gross acre of the total acreage of the Mixed Use Resort project area. (Resolution No. 2011-13, 1/25/2011)

Response: *The number of proposed residential units compared to resort units exceeds a 2:1 ratio. Therefore, the Project includes a request to amend General Plan Policy 6.12 to add a new Section 6.12.3 (Attachment 16):*

“3. The provisions of LU-6.12.1 and 6.12.2 shall not apply to the Special Study Areas of the Middletown Area Plan.”

The Middletown Area Plan specifically identifies study areas where the plan envisions “innovative resort/residential communities”, rather than resort communities with ancillary residential uses. Further, General Plan Policy LU-1.2 states “The County shall promote flexibility and innovation through the use of planned unit developments, development agreements, specific plans, mixed use projects, and other innovative development and planning techniques.” A blanket limit on residential uses associated with resort development limits innovation, especially in context of mixed-use planned development. With the requested General Plan Amendment to add a new subsection 6.12.3 to Policy LU-6.12, the Project is consistent with the overall goals and intent of these objectives.

Zoning Ordinance Conformity

Article 47 - Ordinance Text Amendment and Rezoning Amendment

The purpose of Article 47 is to establish the procedures by which amendments may be made in both the text of the Zoning Ordinance; and the applications thereof to the land within Lake County by amendment of the sectional district maps by rezoning, whenever such changes are warranted by the community welfare, public necessity, or changes in state law and the General Plan.

Response: Article 47 of the Lake County Zoning Ordinance requires that the Planning Commission review any zoning ordinance amendment, and include in its recommendation, the relationship of the proposed amendment to the Lake County General Plan. As described previously, the Project includes a General Plan amendment to allow uses consistent with the Middletown Area Plan, and the Project is otherwise consistent with the goals and policies of the Lake County General Plan and the Middletown Area Plan. The establishment of a GVD to allow mixed use planned development will implement these General Plan policies and the proposed General Plan land use designations.

Article 27 – Uses Generally Permitted

The purpose of Article 27 subsection (f) is to outline the development procedures to establish a community club, private club, or fraternal organization. The specific requirements are:

- Minimum lot area 20,000 square feet , with a six-foot wide buffer strip with visual screening of at least three (3) feet in height on all sides abutting residential districts or uses.
- All parking shall be screened to a minimum height of three (3) feet from the view of surrounding residential districts or uses.
- The project site shall front on and be served by an existing publicly maintained road.

Response: The community clubhouse proposed at the Middletown Housing site is on one acre of land and meets the parking and landscape screening requirements and the interior roadways are accessed from Santa Clara Road, an existing publicly maintained roadway. Landscaping and parking, and site design are shown on Figures 2-16 and 2-17 of Attachment 7d.

Article 34 – Scenic Combining “SC” Combining District

The purpose of the Scenic Combining “SC” Combining District is to protect and enhance views of scenic areas from the County’s scenic highways and roadways for the benefit of local residential and resort development, the motoring public, and the recreation-based economy of the County.

Response: The Project is located off Butts Canyon Road, which is considered a “Scenic Corridor”. According to the Applicant’s site plan and Specific Plan of Development, all developments would be located outside the Scenic Combining District (Figure 3.2-7 of Attachment 7d), with one exception. The proposed access road from Butts Canyon Road would require limited construction within the Scenic Combining District overlay to build the proposed intersection and road, however this would occur immediately adjacent to the existing County road and all other proposed developments (e.g., residential buildings, commercial buildings, institutional facilities such as solar arrays) would not be located within or visible from the SC Combining District.

Article 37 - Waterway “WW” Combining District

The purpose of Article 37 is to help preserve, protect and restore significant riparian and aquatic systems, streams, woodland habitats, protect water quality, reduce erosion sedimentation runoff and protect the public’s health and safety by minimizing dangers due to potential flooding and landslides.

Response: The Guenoc Valley Ranch project parcels contain Bucksnot Creek, including unnamed tributaries, both ephemeral and perennial waterways. Pursuant to Article 37, Section 37(b) all development shall be a minimum of thirty (30) feet from the top of bank of perennial streams. All infrastructure, except for crossings, will be greater than thirty (30) feet from the top of bank of perennial streams as required by Mitigation Measure 3.4-17 (Attachment 3). The Middletown Housing Site is adjacent to Dry Creek, which also contains a WW Combining District. All development has been sited outside of the regulatory floodway consistent with the WW Combining District.

Article 36 - Floodway Fringe Combining District

The purpose of Article 36 is to provide land use regulations for properties and their improvements situated in the floodplain to ensure protection from hazards and damage which may result from flood waters.

Response: No development or structures proposed on the “FF” zones within the Guenoc Valley Site and the Middletown Housing Site.

Article 10 – Single-Family Residential District

The purpose of Article 10 is to establish areas for individual residential dwelling units at relatively low densities where the traditional neighborhood character of single-family units prevails.

Response: As shown in the Santa Clara Concept Plan, the R1 portion of the Middletown Housing Site in Middletown complies with the Single Family Residential (R1) Zoning District development standards:

- *The proposed single-family lots would be approximately 6,050 square feet (SF), which is consistent with the zoning ordinance.*
- *Lot size, setbacks, and dwelling sizes and comply with the requirements of the Single-Family Residential (R1) Zoning District.*
- *The density fits in with the surrounding land uses.*
- *Once a complete Building Permit Application Packet has been submitted, the Planning Department would perform a Zoning Clearance (ZC) to ensure the proposed use has met all necessary regulations, adheres to the approved project and conducting the necessary site inspections.*

Article 11 – Two-Family Residential District

The purpose of Article 11 is to establish areas for individual residential dwelling units at relatively low densities where the traditional neighborhood character of single-family units prevails. The Two-Family Residential District allows for duplexes with a maximum permitted density of one unit per 4,000 SF.

Response: As shown in the Santa Clara Concept Plan, the R2 portion of the Middletown Housing Site in Middletown complies with the Two-Family Residential (R2) Zoning District development standards:

- *The proposed duplexes would have a density of approximately one unit per 4,261 SF, which is consistent with the zoning ordinance.*
- *Lot size, setbacks, and dwelling sizes are illustrated on Santa Clara Concept Plan, and comply with the requirements of the Two-Family Residential (R2) Zoning District.*
- *The project is requesting a Major Use Permit to allow more than 5 duplexes.*
- *The density fits in with the surrounding land uses.*
- *Once a complete Building Permit Application Packet has been submitted, the Planning Department would perform a Zoning Clearance (ZC) to ensure the proposed use has met all necessary regulations, adheres to the approved project and conducting the necessary site inspections.*

CONDITIONS OF APPROVAL

Proposed Conditions of Approval are included in Attachment 2 and mitigation measures identified in the Final EIR are included in Attachment 3. Proposed Conditions of Approval include standard conditions of approval, conditions that implement mitigation measures, and conditions identified for the project by County departments and agencies.

AGENCY COMMENTS

The following agencies submitted comments on the 2025 Draft PREIR and the County's Request for Review of the project application (Attachment 1a and Attachment 5). Comments have been incorporated into conditions of approval as applicable (Attachment 2). Other comments received on the 2020 EIR are included in Attachment 7c:

- Comments on the 2025 Draft PREIR, included in Attachment 1a:
 - Central Valley Regional Water Control Board
 - California Department of Transportation
 - California Department of Fish and Wildlife
- Comments on the County's Request for Review, included in Attachment 5:
 - California Department of Fish and Wildlife
 - California Department of Transportation
 - California Historical Resources Information System
 - Lake County Public Works Department (Surveyor)
 - Lake County Assessor-Recorder Office
 - Lake County Community Development Department, Planning Division (Resource Planner)
 - Lake County Community Development Department, Building Division
 - Lake County Special Districts
 - California Department of Highway Patrol
 - Pacific Gas & Electric Company

PUBLIC COMMENTS

Several public comments were received on the 2024 and 2025 Draft PREIRs and the County's Request for Review of the project application (Attachment 1a and Attachment 5). Comments have been incorporated into conditions of approval as applicable (Attachment 2). Other comments received on the 2020 EIR are included in Attachment 7c.

TRIBAL COMMENTS

Notification under Assembly Bill 52 and Senate Bill 18 was sent to tribal governments on March 28, 2024, and the Northwest Information Center was contacted through the County's Request for Review was sent out on March 28, 2024. An email was received on March 29, 2024, from the Middletown Rancheria requesting consultation. The County

sent an email to the tribe's Tribal Historic Preservation Officer (THPO) on April 1, 2024. After not hearing from the THPO, the County sent a follow up email on June 13, 2024 providing new dates for consultation but again did not hear back from the THPO. Another follow up went out on August 19, 2024, and the County heard from the Middletown Rancheria stating they still wanted a consultation. The consultation occurred on August 27, 2024, and was closed that same day. A closure letter was sent to the Middletown Rancheria on August 27, 2024. Tribal consultation communications are included as Attachment 6.

ENVIRONMENTAL REVIEW

Program/Project EIR

Agencies are required under CEQA to evaluate the environmental implications of land use actions. The Final EIR (comprised of Attachments 1 and 7) was prepared and circulated for public review in compliance with CEQA. There are different types of EIRs. State CEQA Guidelines Article 11 describes variations in EIRs, as the documents are tailored to different situations and intended uses. The Final EIR analyzes the effects of the proposed General Plan amendment and rezoning of the Guenoc Valley Site to GVD on a programmatic level and, in addition to the program level analysis, the EIR provides a project level analysis of the impacts of the Phase 1 of the Project. Future phases of the Project will return to the County for project level analysis at the time of initiation.

As described in Section 1 of the 2020 Draft EIR (Attachment 7a), the CEQA Guidelines define a project EIR as "focusing primarily on the changes in the environment that would result from the development project" (CEQA Guidelines § 15161). As further stated in Section 15161, a project-specific EIR "shall examine all phases of the project including planning, construction, and operation." A project-specific analysis has been prepared for Phase 1 of the Project because the Proposed SPD (Attachment 10) and associated studies and reports, contain the information necessary to perform such an analysis.

By contrast, CEQA Guidelines Section 15168(a) define a program EIR as follows:

A program EIR is an EIR which may be prepared on a series of actions that can be characterized as one large project and are related either:

- Geographically;
- As logical parts in the chain of contemplated actions;
- In connection with issuance of rules, regulations, plans, or other general criteria to govern the conduct of a continuing program; or
- As individual activities carried out under the same authorizing statutory or regulatory authority and having generally similar environmental effects which can be mitigated in several different ways.

Program EIRs typically evaluate broad-scale impacts of a plan, program, or series of actions that can be characterized as one large project. The GVD zoning designation

proposed for the Guenoc Valley Site would allow the development of additional uses beyond those proposed within the SPD for Phase 1, including but not limited to additional hotel units, additional residential units, and additional resort amenities.

Because the site plans for the future phases of the Project have not been developed, the EIR provides a program level of analysis of future development that could foreseeably occur under the proposed GVD zoning district. The Project-level and Program-level analyses combined in the Final EIR will ensure that the effects of developing both Phase 1 and future phases are not segmented. For general and specific development plans associated with future phases, additional approvals would be required, and project-level environmental review would be performed based on specific development plans. It is expected that CEQA compliance documentation for future phases of development will “tier” off this document. The CEQA Guidelines define tiering as covering “general matters and environmental effects in an environmental impact report prepared for a policy, plan, program or ordinance followed by narrower or site-specific environmental impact reports which incorporate by reference the discussion in any prior environmental impact report and which concentrate on the environmental effects which are capable of being mitigated or were not analyzed as significant effects on the environment in the prior environmental impact report.”

Significant and Unavoidable Impacts

Most of the significant impacts of this Project will be reduced to less than significant by mitigation measures and project commitments, listed in the MMRP (Attachment 3). However, as is common with large and complex projects, the Project will result in impacts that cannot be reduced to less than significant by any feasible mitigation measures. The following list summarizes the significant unavoidable impacts as analyzed in the Final EIR.

Proposed Project – Phase 1

3.1-1 Aesthetics: Degrade a scenic vista or the existing visual character or quality of public views - Project Specific Impact. The visual alteration of the Guenoc Valley Site resulting from construction of the Primary Access Road Option 2 at McCain Canyon would constitute a significant and unavoidable impact to the visual character and scenic views of the site.

3.2-3 Agricultural Resources: Convert prime farmland, unique farmland, or farmland of statewide importance (important farmland), as shown on maps prepared pursuant to the FMMP of the California Resources Agency, to nonagricultural use. Phase 1 of the Proposed Project could convert up to 325.5 acres of Important Farmland to non-agricultural use.

3.7-1 Greenhouse Gas Emissions: Generate emissions of GHGs that may have a significant impact on the environment - Cumulative Impact. Phase 1 would result in emissions of GHGs that would contribute on a cumulative level to impacts associated with climate change.

3.7-2 Greenhouse Gas Emissions: Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases – Cumulative impact. Phase 1 would result in a major increase in GHG emissions above BAAQMD thresholds and therefore conflict with the AB 32 Scoping Plan.

3.10-5 Noise: Substantial Increase in Traffic Noise – Project Specific and Cumulative Impact. The Proposed Project would cause a substantial increase in traffic related noise at sensitive receptors located along Butts Canyon Road between SR-29 and the project driveways.

3.13-8 Traffic: Generation of Vehicle Miles Traveled (VMT) above regional average – Project specific impact. Phase 1 would not meet the recommended OPR threshold of a 15 percent reduction in per capita VMT below the regional average.

Proposed Project – Future Phases

3.1-2 Aesthetics: Degrade a scenic vista or the existing visual character or quality of public views – Project Specific Impact. Depending on the location, scale, design, and density of the proposed development, future phases under the proposed zoning designation of GVD could substantially alter the visual character or scenic vistas of the Guenoc Valley Site as viewed from public vantage points, from rural to urban development. The visual alteration of the Guenoc Valley Site under future phases is conservatively assumed to constitute a significant and unavoidable impact to the visual character and scenic views of the site.

3.2-3 Agricultural Resources: Convert prime farmland, unique farmland, or farmland of statewide importance (important farmland), as shown on maps prepared pursuant to the FMMP of the California Resources Agency, to nonagricultural use. Depending on the location, future phases under the GVD could convert Important Farmland to non-agricultural use.

3.7-1 Greenhouse Gas Emissions: Generate emissions of GHGs that may have a significant impact on the environment – Cumulative Impact. Future phases under the GVD would result in emissions of GHGs that would contribute on a cumulative level to impacts associated with climate change.

3.7-2 Greenhouse Gas Emissions: Generate emissions of GHGs that may have a significant impact on the environment – Cumulative Impact. Future phases under the GVD would result in emissions of GHGs that would contribute on a cumulative level to impacts associated with climate change.

3.10-5 Noise: Substantial Increase in Traffic Noise – Cumulative Impact. The Proposed Project would cause a substantial increase in traffic related noise at sensitive receptors located along Butts Canyon Road between SR-29 and the project driveways.

3.13-5 Traffic: Generation of VMT above regional average – Project specific impact. Future Phases would not meet the recommended OPR threshold of a 15 percent reduction in per capita VMT below the regional average.

3.13-8 Traffic: Intersection Level of Service – Cumulative impact. Future Phases of the Project would cause the level of service at the intersection of SR 29 and Butts Canyon Road and two intersections within the County of Napa to exceed acceptable levels.

CEQA Guidelines Section 15090 requires the following actions by the lead agency:

- (a) Prior to approving a project the lead agency shall certify that:
1. The final EIR has been completed in compliance with CEQA;
 2. The final EIR was presented to the decision-making body of the lead agency, and that the decision-making body reviewed and considered the information contained in the final EIR prior to approving the project; and
 3. The final EIR reflects the lead agency's independent judgment and analysis.

State CEQA Guidelines Section 15151 – Standards for Adequacy of an EIR

An EIR should be prepared with a sufficient degree of analysis to provide decision makers with information which enables them to make a decision which intelligently takes account of the environmental consequences. An evaluation of the environmental effects of the proposed project need not be exhaustive, but the sufficiency of an EIR is to be reviewed in the light of what is reasonably feasible. Disagreement among experts does not make an EIR inadequate, but the EIR should summarize the main points of disagreement among experts. The courts have looked not for perfection but for adequacy, completeness, and a good faith effort at full disclosure.

Planning Commission Actions

The Planning Commission will be required to make these certifications. The Planning Commission will be required to make findings pursuant to CEQA Guidelines Sections 15091 and 15093 (Attachment 4) and adopt a Mitigation Monitoring and Reporting Program (Attachment 3) pursuant to CEQA Guidelines Section 15097.

FINDINGS FOR APPROVAL – LAND USE APPROVALS

General Plan Amendment

1. **The proposed amendment is consistent with the General Plan and the Middletown Area Plan.**

Response: Many of the goals and policies of the General Plan and Middletown Area Plan were adopted for the purpose of avoiding or mitigating environmental effects. The Project is generally consistent with the goals and policies in the General Plan, and would further

the intention of policies that encourage resort development within the County and promote clustered development to limit land use impacts. Additionally, the General Plan includes policies for preserving open space. Phase 1 of the Project includes 2,765 acres of designated open space with additional open space preserved through deed-restrictions on residential parcels and other open space incorporated into the landscaping design.

The Middletown Area Plan also emphasizes resort development and states that “resort development should be strongly supported by the County as a means to provide local jobs and create additional attractions for tourists”. The Middletown Area Plan includes the Guenoc Valley Site as a Special Study Area and states that the goal of the area is to have a mix of resort/commercial, residential, and agricultural uses. The Project would be generally consistent with the Middletown Area Plan’s goals for the land uses within the Guenoc Valley Site.

The Project is consistent with the goals and policies of the Lake County General Plan and the Middletown Area Plan by including resort activities, agricultural production, land stewardship, landscape preservation, outdoor recreational activities, and respect for cultural heritage and social cohesion. Please refer to the General Plan Consistency Table in Appendix GPCT of the 2020 Draft EIR (Appendix GPCT of Attachment 7b).

The requested change to the General Plan land use designations for the Guenoc Valley Site to Resort Commercial is consistent with the General Plan’s description of the purpose of this land use designation:

Resort Commercial provides for a variety of commercial uses oriented towards tourists and visitors to the county. These uses typically include but are not limited to agriculturally based tourism, recreation activities (e.g., golf courses), dining, entertainment services, destination-resorts, lodging facilities such as, but not limited to hotels, motels, retreats, fractional ownership lodging units and time-share units, wineries, spas, and on-site residential uses if secondary and subordinate to commercial resort uses. This designation is located both inside and outside of Community Growth Boundaries. Additionally, Resource Conservation assures the maintenance of County’s natural resources by making this land use categorically a high priority when managing and/or issuing a Conditional Use Permit for a use that will and/or is currently utilizing the County’s Natural Resource Infrastructure.

The requested change to the General Plan land use designations for the Guenoc Valley Site to Resort Commercial is consistent with the Middletown Area Plan Special Study Area No.3 goals:

This Special Study Area includes the lands comprising Langtry Farms, LLC and Guenoc Winery, Inc. located southeast of Middletown along Butts Canyon Road and about 15 miles north of Calistoga in the Guenoc Valley. Figure 6-3 is a map of this Special Study Area. It defines the vision for future development of the 16,000-acre Langtry property in more detail with a goal of allowing the flexibility to create an economically diverse job base, innovative resort/residential communities,

agritourism opportunities and resort-related uses while at the same time protecting significant agricultural lands, open space and natural resources of the area.

The goal of Special Study Area No. 3, the Guenoc Ranch is to retain and expand agricultural uses and promote agricultural products and agricultural tourism. The County should continue to support efforts by Langtry to expand and diversify its agricultural base, and proposals that result in value added agricultural opportunities should be encouraged and supported (Policy 6.3.1a). The County shall consider developing an Agricultural Planned Development zoning district which accommodates wine country style development with lodging components (Policy 6.3.1b.) Future development should be high quality and low-impact planned development that includes mixed uses complementary to agricultural operations in the Guenoc Valley (Objective 6.3.2.) Residential development should be limited to the density presently allowed by the Land Use Map for the Langtry property (Policy 6.3.2a). A mixed-use destination resort with connectivity to Langtry's history and agricultural uses, while capitalizing on its varied recreational opportunities, should be encouraged and supported (Policy 6.3.2b.) Future commercial and/or residential development proposal applications shall be processed through the "PD", Planned Development process (Policy 6.3.2c.) Only innovative, diverse projects founded in smart growth principles should be considered.

The requested change to General Plan Land Use Policy LU 6.12 is consistent with the overall goals of the policy, which include:

Policy LU-6.12: The County shall encourage development of resorts while ensuring land suitability and compatibility with surrounding land uses. Mixed Use Resort proposals requesting increased residential density may be considered outside of Community Growth Boundaries provided that:(1) The primary scope of the project is resort commercial. (2) The resort provides substantial resort and recreational facilities that will be available to the public, and the project will specifically enhance the tourism objectives of the County. (3) The developer is able to adequately demonstrate that the additional residential units are necessary to support the infrastructure and public resort amenity costs for the overall project and the overall project is economically infeasible without the additional residential units. (4) The residential component is secondary and subordinate. (5) Applications are submitted as Planned Developments. For Mixed Use Resorts to include residential units, the development must be processed as a Planned Development. This process will be used to determine the appropriate number of residential units allowed.

- 2. 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.**

Response: The proposed amendment would not be detrimental to the public interest, health, safety, convenience, or welfare of the County, because it will bring the site into conformance with the goals and policies identified in the Middletown Area Plan. In addition, the proposed use shall meet all Federal, State and local agency requirements. Prior to construction, the Applicant shall submit and obtain the necessary Building Permits from the Community Development Department to develop the resort. Once a complete Building Permit Application Packet has been submitted, the Planning Department would perform a Zoning Clearance (ZC) to ensure the proposed use has met all necessary regulations, adheres to the approved project and conducting the necessary site inspections. County departments and agencies have reviewed the project, and where appropriate, have recommended conditions of approval that are included in the proposed Conditions of Approval for the project.

3. The proposed land use designation change is in the public best interest, there will be a community benefit, and other existing and allowed uses will not be compromised.

Response: The Lake County Economic Development Plan 2016 outlines where Lake County should focus efforts to maintain a resilient economy and rebuild due to the devastating wildfires of 2015. In 2015, Lake County suffered three separate wildfires that burned approximately 171,000 acres of wild land, forest, and residential property, and resulted in the cumulative loss of 1,329 homes and damage of over 70 commercial properties. The Economic Development Plan specifically identifies the need to develop more tourist destinations, lodging, and agritourism - all of which are included in the Project plans. Since 2015, Lake County has experienced numerous additional highly destructive wildfires. In response, the County published its Critical Priorities for Long-Term Recovery in 2019, which highlighted the need for significant infrastructure improvements to address the local housing crisis, support business expansion, and enhance resilience. Specifically, the report emphasized the need for secondary access routes and the reconstruction of fire-damaged roads to support housing and economic development.

The Applicant proposes to develop a portion of the project site into a luxury resort, consisting of hotels, retail and commercial uses, residential housing, and outdoor recreation amenities, including a golf course and equestrian facilities. The Project incorporates low impact development and open space preservation with an integrative animal husbandry element for fuel reduction management. According to the Applicant, one of the project's objectives is to plan for long term growth of the County with a significant fiscal contribution toward the county's community goals of new economic, employment, and housing opportunities.

The majority of the Guenoc Valley Site border is adjacent to undeveloped grazing land or agricultural land. It is expected that cattle grazing would continue to occur as the primary agricultural activity on adjacent lands. There are no communities directly adjacent to the Guenoc Valley Site. Development of Phase 1 of the Project would not occur near these borders and therefore would not create inconsistencies with surrounding residential uses. Although the proposed residential areas would be clustered within resort communities,

the overall density would still be low with an average lot size of five acres. This low density would be generally consistent with surrounding residential areas.

To reduce the risk of wildfire, the Project will implement a Wildfire Prevention Plan (Appendix N of Attachment 1a) with a range of prevention and safety measures across multiple categories. These include wildfire-resistant design and home hardening standards for all structures, combined with irrigated landscaping and defensible space around buildings to minimize ignition risks. The project will also feature extensive fire protection infrastructure, such as water storage for aerial firefighting, an interconnected water and hydrant system, and an on-site Emergency Response Center equipped with trained firefighting staff. Roadways will be improved to support emergency access and safe evacuations, with added connector routes and fire breaks. Vegetation management, fuel reduction programs, and HOA-supported fire safety education will help to ensure long-term preparedness. Together, these measures will enhance wildfire resilience, reduce fuel loads, and improve emergency response capabilities across the site.

- 4. Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the final EIR. Specific economic, legal, social, technological, or other considerations, including provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or project alternatives identified in the final EIR.**

Response: CEQA requires agencies to evaluate the environmental implications of their actions. A Final EIR has been prepared which analyzes the environmental effects of this project. The MMRP is included as Attachment 3. Draft Findings are attached that address the impacts and mitigation measures, and alternatives, presented in the project EIR (Attachment 4).

Rezone, General Plan of Development

- 1. That the project is in conformance with the applicable provisions and policies of this Code, the General Plan, Lake County Zoning Ordinance and any approved zoning or land use plan.**

Response: The approval of a General Plan Amendment, Rezone, General Plan of Development and Major Use Permit for a Specific Plan of Development would ensure consistency with the Lake County General Plan, Middletown Area Plan and the Lake County Zoning Ordinance as a mixed use planned community and commercial resort. Additionally, the project would be consistent with the requested General Plan and zoning designations.

- 2. 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.**

Response: A Water Feasibility Report and Water Supply Assessment was completed for the 2020 EIR (Appendix WSA and WW of Attachment 7b). The County requested additional information on several water-supply related topics during preparation of the Draft PREIR. As a result, a Water Supply Technical Memorandum (Appendix G-1 of Attachment 1b) was prepared that includes additional details on the mitigation measure pertaining to the off-site well, the PG&E Contamination Plume, and off-site groundwater users. To comply with Lake County Ordinance 3106, enacted after the Draft EIR was prepared, a Drought Management Plan was prepared (Appendix G-2 of the Draft PREIR (Attachment 1b)). These analyses conclude that groundwater availability is sufficient to meet project demands, even under dry and very dry conditions, and that existing and proposed wells can reliably supply potable and non-potable water for all project phases. Additionally, the Drought Management Plan outlines a staged conservation program to reduce water use, monitor system capacity, and ensure water supply reliability for potable, golf course, and equestrian center uses during declared droughts. Together, these findings demonstrate that the site can provide an adequate private water system consistent with the regulatory requirements of the State Water Resource Control Board - Division of Drinking Water (see Exhibit A of Attachment 18). Wastewater will be treated onsite and subject to regulation and permitting by the Regional Water Quality Control Board (Appendix WW of Attachment 7b). Additionally, the project parcels have adequate emergency service protection through SLCFPD, and the LCSO.

3. 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.

Response: The project site is approximately 16,000 acres in size (all parcels combined) with slopes that range from approximately 20% to greater than 30%. The project parcels are located in a rural area of the County and are able to accommodate the proposed use. The project site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provisions of public and emergency vehicle access, public services and utilities.

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

Response: The existing streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the existing and proposed development of the Guenoc Valley Mixed Use Project as the projects parcels are located off Butts Canyon Road, which is maintained by the Lake County Department of Public Works. Implementation of traffic mitigation improvements in the Traffic Impact Analysis provided in the 2020 Draft EIR (Appendix TIA of Attachment 7b) have been included as conditions of project approval. In addition, the Project's wildfire mitigation measures include a range of strategies that would reduce congestion on designated evacuation routes during an emergency (Attachment 1b).

DEVELOPMENT AGREEMENT

The Planning Commission shall make its recommendation in writing to the Board of Supervisors. The recommendation shall include the Planning Commission's determination whether or not the Development Agreement (Exhibit A of Attachment 15) proposed is:

- 1. Inconsistent with the objectives, policies, general land uses and programs specified in the general plan and any applicable specific plan or community plan.**

Response: The proposed Development Agreement for the properties located at the Guenoc Ranch Site and Off-site Workforce Housing Site have been reviewed for consistency with the applicable planning documents. The Agreement is in compliance with the 2008 General Plan and Middletown Area Plan , and supports the long-term vision, land use policies, and implementation measures outlined therein. The terms of the Development Agreement provide a framework for orderly development and ensure the provision of public benefits and infrastructure consistent with adopted County goals policies, and objectives.

- 2. Is compatible with the uses authorized in, and the regulations prescribed for, the zoning district in which the real property is located.**

Response: The proposed Development Agreement (Exhibit A of Attachment 15) outlines the Project as described in the General Plan of Development and Specific Plan of Development for the new zoning district GVD, which is a combination of PDR and PDC, in response to the goals and objectives of the Middletown Area Plan is in conformity with public convenience, general welfare and good land use practice.

The proposed Development Agreement provides for public convenience and economic viability for the surrounding community. The Lake County Economic Development Plan 2016 outlines where Lake County should focus efforts to maintain a resilient economy and rebuild due to the devastating wildfires of 2015. In 2015, Lake County suffered three separate wildfires that burned approximately 171,000 acres of wild land, forest, and residential property, and resulted in the cumulative loss of 1,329 homes and damage of over 70 commercial properties. The Economic Development Plan specifically identifies the need to develop more tourist destinations, lodging, and agritourism - all of which are included in the Project plans. The Applicant proposes to develop a portion of the project site into a luxury resort, consisting of hotels, retail and commercial uses, residential housing, and outdoor recreation amenities, including a golf course and equestrian facilities. The Project incorporates low impact development and open space preservation with an integrative animal husbandry element for fuel reduction management. According to the Applicant, one of the project's objectives is to plan for long term growth of the County with a significant fiscal contribution toward the county's community goals of new economic, employment, and housing opportunities.

3. Will be detrimental to the public health, safety and general welfare.

Response: The proposed Development Agreement will not be detrimental to the public health, safety, and general welfare. A detailed analysis of hazards is included in the EIR for the project (Attachments 1 and 7), especially Section 3.8 –Hazards (Attachment 7d) and the recirculated Wildfire Analysis (Section 3 of Attachment 1b). Elements of the Project will serve to ensure public health, safety, and general welfare, and one of the primary objectives of the agreement is to confirm the timely construction of the proposed emergency response center.

The Project will implement a Wildfire Prevention Plan (Appendix N of Attachment 1a) with a range of prevention and safety measures across multiple categories. These include wildfire-resistant design and home hardening standards for all structures, combined with irrigated landscaping and defensible space around buildings to minimize ignition risks. The Project will also feature extensive fire protection infrastructure, such as water storage for aerial firefighting, an interconnected water and hydrant system, and an on-site Emergency Response Center equipped with trained firefighting staff. Roadways will be improved to support emergency access and safe evacuations, with added connector routes and fire breaks. Vegetation management, fuel reduction programs, and HOA-supported fire safety education will help to ensure long-term preparedness, which are further required to be implemented by the MMRP (Attachment 3). Together, these measures will enhance wildfire resilience, reduce fuel loads, and improve emergency response capabilities across the site.

4. Will adversely affect the orderly development of property or the preservation of property values.

Response: The Development Agreement will implement the planned and orderly development of the project subject to the General Plan of Development and the Specific Plan of Development. The Project, and therefore the Development Agreement, will preserve and enhance the property values of the County. It has been determined that the proposed Development Agreement will not adversely affect the orderly development of the property or the preservation of surrounding property values as the Agreement establishes clear development standards, phasing, and infrastructure commitments that align with the County's 2008 General Plan and Middletown Area Plan. By ensuring that growth occurs in a planned, coordinated manner with adequate services, road access, and environmental safeguards, the Agreement helps to prevent piecemeal development and supports long-term community stability and property value retention.

Major Use Permit Findings for Specific Plan of Development (Article 51, Section 51.4a)

The Review Authority shall only approve or conditionally approve a Major Use Permit pursuant to Article 51 Section 51.4(a), Major Use Permits of the Lake County Zoning Ordinance 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.**

Response: Uses permitted under the proposed SPD will be allowed uses under the proposed zone district (Attachment 10). Proposed uses will consist of residential, commercial and open space uses. Effects on neighboring land uses were evaluated in the EIR and found to be less than significant. The proposed Design Guidelines (Attachment 11) will further ensure land use compatibility.

- 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.**

Response: The project site is approximately 16,000 acres in size (all parcels combined) with slopes that range from approximately 20% to greater than 30%. The project parcels are located in a rural area of the county and are able to accommodate the proposed uses. The project site is physically suitable in terms of design, location, shape, size, operating characteristics, and the provisions of public and emergency vehicle access, public services and utilities.

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

Response: The existing streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the existing and proposed development of the Guenoc Valley Mixed Use Project as the projects parcels are located off Butts Canyon Road, which is maintained by the Lake County Department of Public Works (Appendix TIA of Attachment 7b). Implementation of traffic mitigation improvements in the Traffic Impact Analysis provided as Appendix TIA of the Draft EIR have been included as conditions of project approval. In addition, the Project's wildfire mitigation measures include a range of strategies that would reduce congestion on designated evacuation routes during an emergency (Attachment 1b).

- 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.**

Response: A Water Feasibility Report and Water Supply Assessment was completed for the 2020 EIR. The County requested additional information on several water-supply related topics during preparation of Draft PREIR. As a result, a Water Supply Assessment Addendum Memorandum (Appendix G-1 of Attachment 1b) was prepared that includes additional details on the mitigation measure pertaining to the off-site well, the PG&E Contamination Plume, and off-site groundwater users. A Drought management Plan was

additionally prepared that outlines a staged conservation program to reduce water use, monitor system capacity, and ensure water supply reliability during declared droughts (Appendix G-2 of Attachment 1b). Additionally, the project parcels have adequate emergency service protection through SLCFPD and the LCSO.

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.

Response: With the approval of the requested General Plan Amendment, Rezone, General Plan of Development and Major Use Permit for a Specific Plan of Development, the project would be in conformance with the Lake County General Plan, Middletown Area Plan and the Lake County Zoning Ordinance as a Mixed-Use Project.

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. (Ord. No. 2128, 1/14/1993).

Response: There are no known violations of existing land uses within the Guenoc Valley Site at this time.

Major Use Permit Findings of Approval for a Community Clubhouse (Santa Clara property)

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.

Response: The Use Permit is to allow a community clubhouse in this location will benefit the general welfare of the surrounding neighborhood – the Workforce Housing neighborhood. Once a complete Building Permit Application Packet has been submitted, the Planning Department would perform a Zoning Clearance (ZC) to ensure the proposed use has met all necessary regulations, adheres to the approved project and conducting the necessary site inspections.

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.

Response: The project parcel is adequate in size, shape, location and physical characteristic as it exceeds the minimum lot size of 20,000 square feet in size for a

Community club by approximately 23,560 square feet (project parcel is approximately one (1) acre in size).

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

Response: The existing streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the proposed community clubhouse, as the Santa Clara Site is accessed directly via eastbound Santa Clara Road, which is maintained by the Lake County Department of Public Works (Appendix TIA of Attachment 7b)). Implementation of traffic mitigation improvements in the Traffic Impact Analysis provided as Appendix TIA of the Draft EIR (Attachment 7b) have been included as conditions of project approval. Additionally, all necessary permits shall be obtained from the Lake County Department of Public Works and the California Department of Transportation (Caltrans).

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.

Response: The 2020 Draft EIR (Attachment 7) determined that there are adequate public or private services, including water, wastewater and local fire and sheriff, to accommodate the proposal.

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.

Response: The request for a community clubhouse is in conformance with the Zoning, Middletown Area Plan and the General Plan upon approval of the Guenoc Valley Mixed Use Commercial Project.

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.

Response: A check of the County's OpenGov permitting database resulted in no violations on the property.

RECOMMENDATIONS

Staff recommends that the Planning Commission approve the following motions:

1. Move that the Planning Commission adopt the Use Permit (PL-25-112; UP 24-05) for the Guenoc Valley Site conditioned upon approval of the General Plan Amendments (GPAP 24-01 and 24-02) and zoning ordinance amendment (AM 24-01) by the Board of Supervisors. The permit adopted today, for the general plan and specific plan of development, shall be of no force or effect until the Board of Supervisors approves the General Plan and Zoning amendments as recommended by this Commission.
2. Move that the Planning Commission adopt the Use Permit (PL-25-112; UP 24-08) for the Middletown Housing Site conditioned upon approval of the of the zoning amendment (RZ 24-02) by the Board of Supervisors. The permit adopted today shall be of no force or effect until the Board of Supervisors approves the Zoning amendment as recommended by this Commission.
3. Move that the Planning Commission adopt the CEQA findings pursuant to and included in the Staff Report dated July 24, 2025, including adoption of the Statement of Overriding Considerations and a Mitigation Monitoring Reporting Program, and thereby certify the Final EIR.
4. Move that the Planning Commission recommend the Board of Supervisors adopt an ordinance rezoning the Guenoc Valley Site parcels to a Guenoc Valley-Specific District, adding a new chapter to the zoning code pertaining to development in that district, and specifying design guidelines for future development in that district.
5. Move that the Planning Commission recommend the Board of Supervisors approve a General Plan Amendment, Rezone, General Plan of Development, Specific Plan of Development, and Development Agreement with the following findings:
 - A. As outlined in this Staff Report, this General Plan Amendment and Rezone is consistent with the Lake County General Plan, the Middletown Area Plan and the Lake County Zoning Ordinance.
 - B. The uses proposed by the general plan of development are compatible with the existing land uses in the vicinity.
 - C. 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.
 - D. 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.
6. Move that the Planning Commission recommend that the Board of Supervisors approve a Rezone of the interior portion of the Santa Clara site from Single Family Residential (R1) to Two-family Residential (R2) subject to the attached findings.

7. Move that the Planning Commission approve the Use Permit to allow for the community clubhouse at the Santa Clara site.

SAMPLE MOTIONS

- A. I hereby move that the Planning Commission certify the Final EIR, consisting of the 2020 Draft and Final Environmental Impact Reports, 2020 Final EIR Errata, July 2024 Draft PREIR, March 2025 Draft PREIR, July 2025 Final PREIR, and all appendices thereto and supporting information, and adopt the accompanying CEQA Findings of Fact, Statement of Overriding Considerations and Mitigation Monitoring and Reporting program (EIR 24-01) pursuant to the requirements of the California Environmental Quality Act for the Guenoc Valley Mixed Use Planned Development Project on property located at Jerusalem Grade Rd, Oat Hill Road, Guenoc Valley Road, Bohn Valley Rd, Butts Canyon Road, Santa Clara Road, Grange Rd, State Hwy 29, and as more fully described in the Staff Report dated July 24, 2025.
- B. I hereby move that the Planning Commission approve UP 24-05 for the Guenoc Valley Mixed Use Planned Development Project for property located at Jerusalem Grade Rd, Oat Hill Road, Guenoc Valley Road, Bohn Valley Rd, Butts Canyon Road, Santa Clara Road, Grange Rd, State Hwy 29, based on the findings and subject to the conditions in the staff report dated July 24, 2025.
- C. I hereby move that the Planning Commission approve UP 24-08 for the Guenoc Valley Mixed Use Planned Development Project for property located at Santa Clara Road, based on the findings and subject to the conditions in the staff report dated July 24, 2025.
- D. I hereby move that the Planning Commission recommend the Board of Supervisors approve PL-25-112, DA 24-01, AM 24-01, GPAP 24-01, GPAP 24-02, and RZ 24-02, for the Guenoc Valley Mixed Use Planned Development Project for property located at Jerusalem Grade Rd, Oat Hill Road, Guenoc Valley Road, Bohn Valley Rd, Butts Canyon Road, Santa Clara Road, Grange Rd, State Hwy 29, and as more fully described in the Staff Report dated July 24, 2025.

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