



COUNTY OF LAKE
COMMUNITY DEVELOPMENT DEPARTMENT
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Planning • Building • Code Enforcement
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Item #6d
9:50 AM
May 23, 2024

STAFF REPORT

TO: Planning Commission

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

DATE: May 23, 2024

SUBJECT: Consideration of proposed Major Use Permit (UP 21-28) and Mitigated Negative Declaration (IS 21-29) for Green Handle Farms, LLC / Garth Markson for approval of one (1) A Type 3B license and three (3) A-Type 1C licenses for 29,500 sf of mixed-light (greenhouse) canopy and a Type 13 Self-Distribution Transport Only, License located at 3050 Big Valley Road, Kelseyville (APNs: 008-037-01 and 008-035-14).

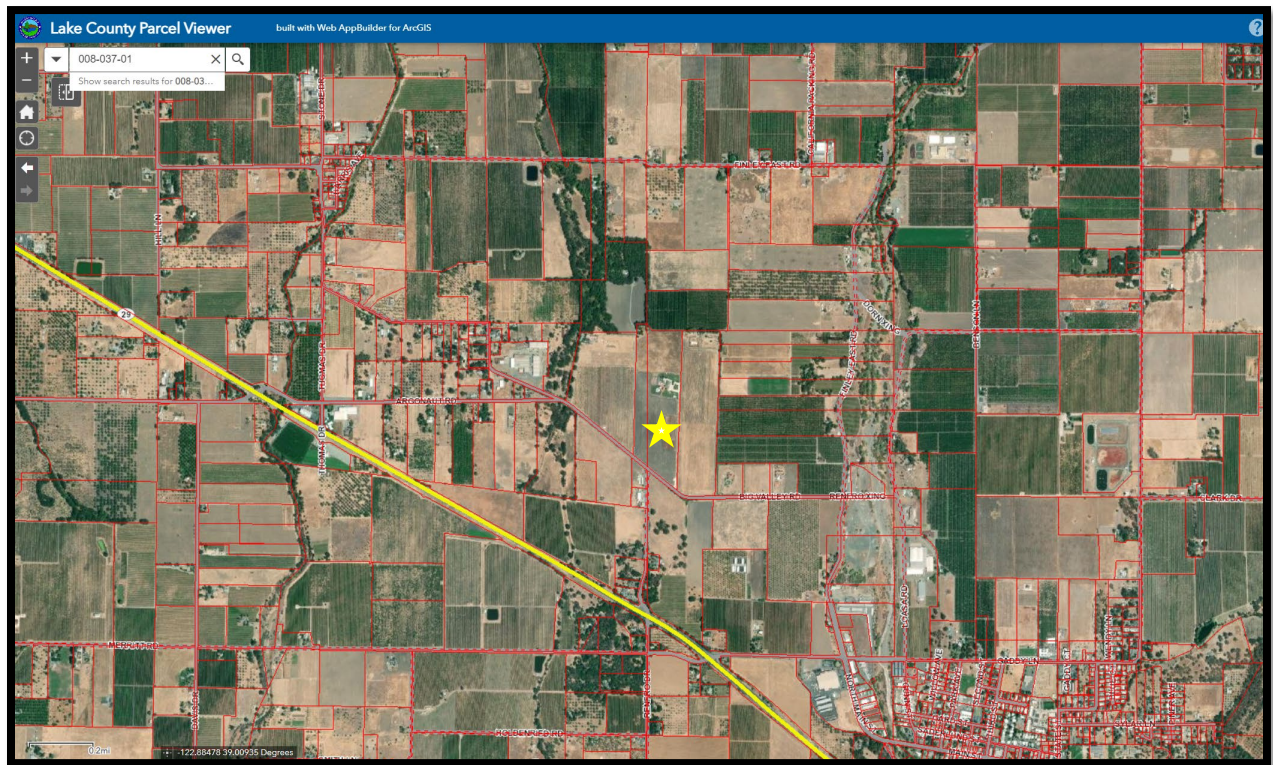
ATTACHMENTS:

1. Site Plans (revised October 2023)
2. Draft Conditions of Approval
3. Property Management Plan (1/29/21)
4. Initial Study/Mitigated Negative Declaration (IS 21-29)
5. Hydrogeologic Report and Drought Management Plan
6. Agency Comments
7. Tribal Comments
8. Public Comments

EXECUTIVE SUMMARY

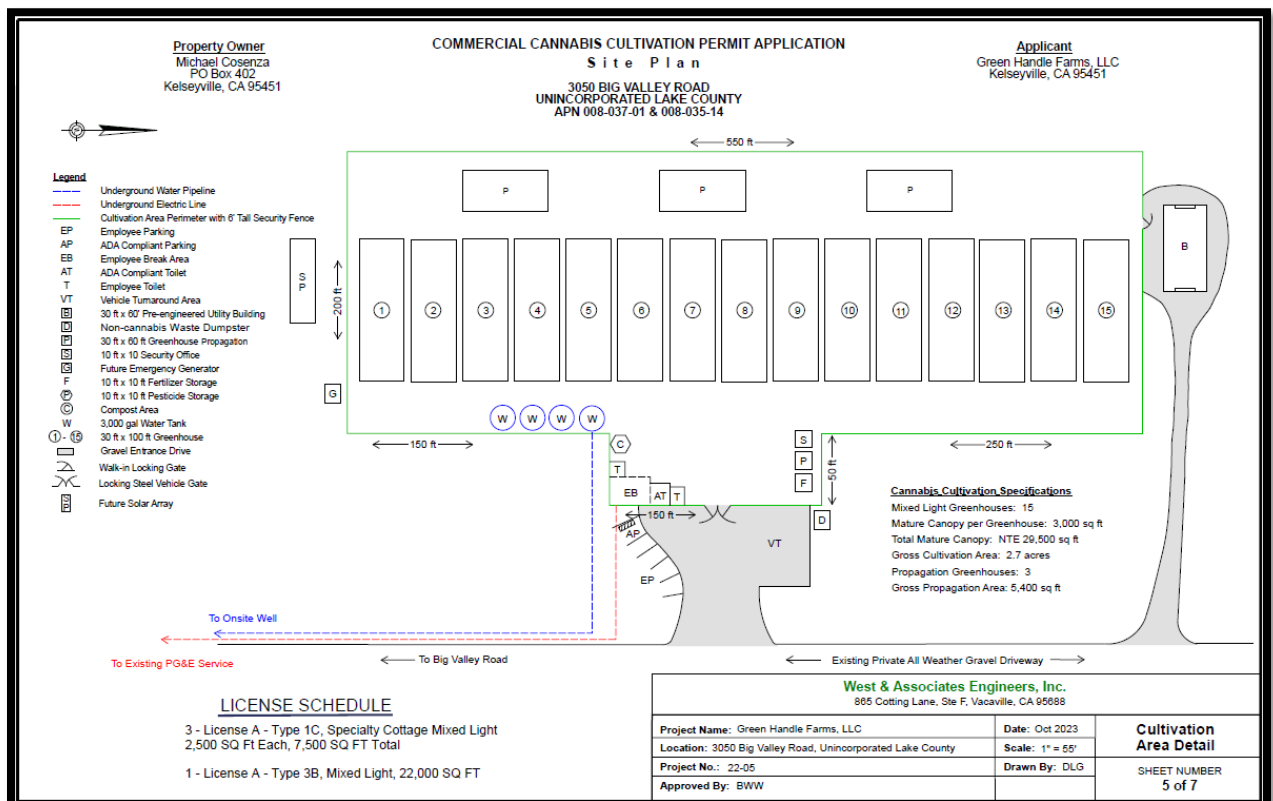
Green Handle Farms, LLC requests discretionary approval from the County of Lake for a Major Use Permit (UP 21-28) for a proposed mixed-light commercial cannabis operation at 3050 Big Valley Road, Kelseyville (APNs: 008-037-01 and 008-035-14). All commercial cannabis activities will take place on APN 008-037-01. APN 008-035-14 is used for clustering purposes. The application, as proposed, would include cultivation of one (1) A Type 3B license and three (3) A-Type 1C licenses for 29,500 sf of mixed-light (greenhouse) canopy and a Type 13 Distributor Transport Only, Self-distribution License. The zoning is APZ- Agricultural Preserve District. Previous agricultural uses include pear orchards, vineyards, and hay operations. The total acreage of the two parcels combined is 38.85 acres.

FIGURE 1 – VICINITY MAP



Source: Lake County GIS Mapping

FIGURE 2 – SITE PLANS



Source: West and Associates

PROJECT DESCRIPTION

Project Title: Green Handle Farms, LLC

Project Numbers: UP 21-28, IS 21-29

Lead Agency: County of Lake
Community Development Department
Courthouse, 3rd Floor, 255 North Forbes Street
Lakeport, CA 95453

Applicant Information Green Handle Farms, LLC / Garth Markson
1784 Peterson Pond Lane
Redwood Valley, CA 95470

Property Owner: Michael Cosenza

Project Location: 3050 Big Valley Road, Kelseyville

Parcel Numbers: 008-037-01 (cultivation site) and 008-035-14 (cluster site)

Parcel Sizes: 28.89 and 9.96 acres (38.85 total acres)

General Plan: "A" Agriculture

Zoning Districts: "APZ" Agriculture Preserve

Flood Zone: "X" - Low Risk of Flooding

Existing features:

- One (1) irrigation well
- Two (2) residential wells
- Permitted Septic system
- Residence
- Residential accessory structures
- Residential swimming pool
- Horse corral
- Chicken coop
- Locking access gate

Proposed features:

- Three (3) 30' x 60' immature plant propagation greenhouses
- Fifteen (15) 30' by 100' greenhouses equipped with air filtration systems
- 30' x 60' metal processing/drying building
- 10' x 10' security building
- Two (2) 10' x 10' sheds for fertilizer and pesticide storage
- Four (4) employee parking spaces and one ADA-complaint parking space
- Portable ADA restroom
- Four (4) 3,000-gallon water storage tanks equipped with connectors for emergency use
- Solar array
- Interior roadway improvements
- 6' perimeter fencing surrounding cultivation area
- Emergency backup generator

POINTS OF INTEREST

Farmland Protection Zone

The project parcel (APN 008-037-01) and clustering parcel (APN: 008-035-14) are within the *Farmland of Local Importance*, a mapped Farmland Protection Area within the County of Lake. Greenhouse cultivation is a requirement for the cultivation of cannabis within this area per Ordinance No. 3103. The project parcels are located within a Non-Wildland – Non-Urban (low wildfire risk) area. Previous agricultural uses include pear orchards, vineyards, and hay operations within the proposed cultivation area.

FIGURE 3- AGRICULTURAL FIELD



Source: Staff site visit 11/21/2023

Water Analysis

The site is located in the Big Valley Water Basin. The basin is roughly triangle shaped, and is approximately six miles wide and eight miles long. This water basin exists in two distinct areas; the younger water shed basin to the north, and raised uplands comprised of the Kelseyville Formation to the south. The two areas are separated by the Big Valley Fault, which uplifted the Kelseyville Formation and created the uplands to the south.

A Hydrogeologic Report prepared by Hurvitz Engineering, dated January 6, 2021 (Attachment 5) evaluates annual water demand for the project, aquifer rate, and provides well data for the on-site well. Water is provided by two permitted on-site wells. The well tests provided for each well were performed on November 2, 2021 (irrigation well), and November 4, 2021 (potable water

well). The test on the irrigation well showed an output of 350 gallons per minute. The well draw-down stabilized at 41.15 feet below the top of the well casing. During the one-hour test, the well produced about 10,000 gallons of water. After a 25-minute shut-down period, the well fully recovered to its original water depth.

The estimated water usage for this project is approximately 973,000 gallons per year, or about 3 acre-feet per year, including 5,000 sf immature plant canopy and 29,500 sf of mature plant canopy. Residential water usage is projected to be approximately 247,647 gallons per year. The total water demand for the site, including residential uses and the cannabis project, are estimated to be 3.8 acre-feet per year.

The Report estimates recharge rates of the aquifer during a severe drought year to be about 4.41-acre feet per year; this is versus the 3.8-acre feet per year that the project and residence would require. The Report concludes that there is adequate water during a severe drought year to provide adequate water to the project without adversely impacting the neighboring water wells or water resources.

Energy Usage

The proposed project would utilize grid power for the following uses: fifteen 30' x 100' greenhouses for mature plants; three 30' x 60' greenhouses for immature plants; two 30' x 60' drying buildings; security system throughout the site, exterior downcast security lighting along the site perimeter, and well pump. There is an established PG&E connection for the dwelling on site that uses a 200-amp service. An electrical upgrade for the total proposed use of 800 amps is sufficient to provide the power that existing residential and proposed cultivation project will require. There are no grid capacity issues at this location. A solar array is proposed to supplement grid power. PG&E was notified of this project and sent an initial response letter with general information on policies and permits. No adverse or project-specific information was received. (Agency Comments included in Attachment 6).

Construction Details

According to the applicant's submitted Property Management Plan (Attachment 3), construction is expected to last between eight and twelve weeks and will occur Monday through Saturday from 8:00 a.m. to 5:00 p.m. Site work would be limited to greenhouse pad preparation, installation of three (3) 10' x 10' sheds, three (3) 30' x 60' greenhouses for immature plants, a 30' x 60' drying building, fencing and improvements to the existing interior driveway. No tree removal is proposed. Construction is anticipated to last up to three months. All staging is to occur on previously disturbed portions of the site.

Operational Details

The project consists of 29,500 sf. mixed-light cannabis canopy and 5,000 sf. immature plant propagation within greenhouses in an enclosed cultivation site. Cultivation of cannabis will occur above-ground in beds. Fertilizers, pesticides, and agricultural chemicals will be stored in a secure, designated structure and in accordance with all applicable laws and regulations. Operational activities are anticipated to occur between April and November of each year, from 7:00 am to 7:00 pm, Monday through Saturday. All gates will be closed and locked outside of normal operational hours and/or when authorized personnel are not present. Operations will require up to three full-time employees. It is anticipated that operation would result in six trips per day from staff commuting to and from the site and 1-2 deliveries / pickups per week

Waste Management

Annual non-hazardous solid waste generated by project operations is estimated to be approximately 500 pounds per year. All non-hazardous waste will be hauled to the nearest waste disposal transfer station located in Lakeport. There are no capacity issues at the East Lake Landfill Waste Facility in Clear Lake. The site will rely on portable ADA-compliant restrooms and hand

wash station, which will be serviced at regular intervals by the applicant's septic company. All cannabis waste will be composted on-site and incorporated into the soils of the cultivation area(s) as a soil amendment.

Stormwater Management

The Property Management Plan (PMP) submitted for this project has a chapter (Chapter 9) regarding stormwater management. The PMP was prepared by BC Engineering, dated January 29, 2021. The Plan identifies the method of stormwater containment in the cultivation area (straw wattles), which are typical for this type of cultivation activity. The cultivation area is set back more than 100 feet from all water courses on site. Setbacks from any surface water channel or above-ground water storage facility is 100 feet or more as is required by Article 27.13(at) of the Lake County Code. The Project Property is enrolled in the State Water Resources Control Board's Cannabis General Order (Order No. WQ 2019-001-DWQ) as a Tier 2, Low Risk site. Measures have been implemented at the site for erosion control and stormwater pollution. The following erosion control measures will be followed:

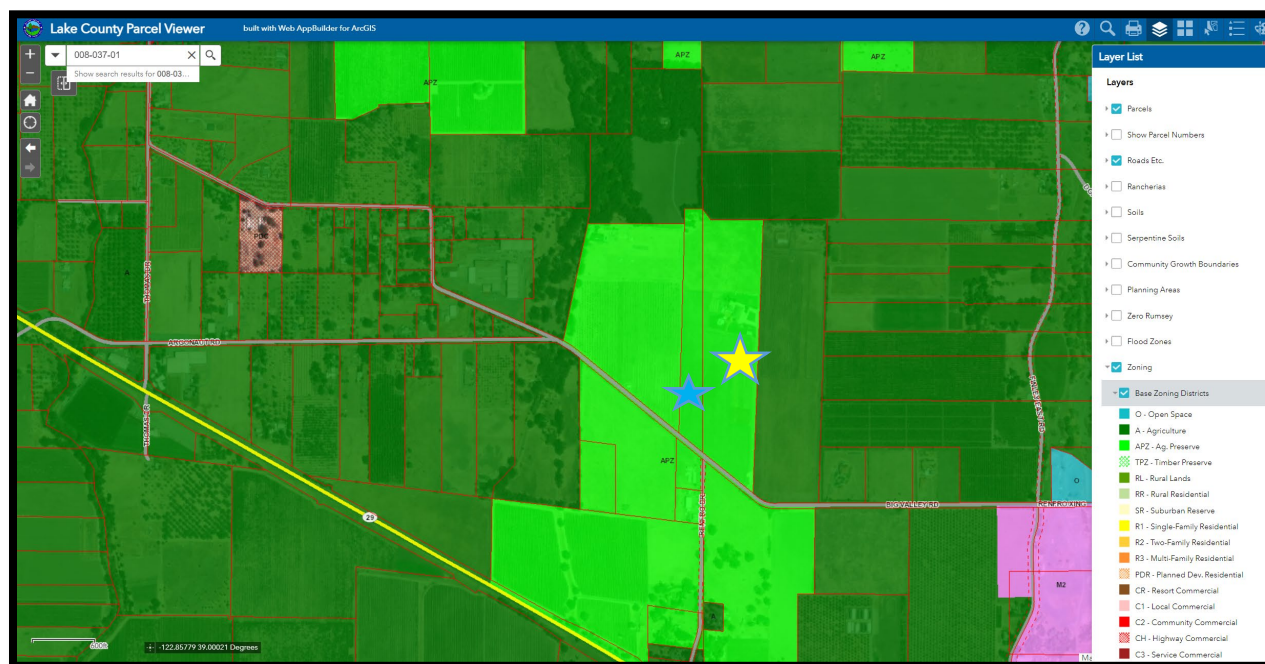
- Established and re-established vegetation within and around the proposed cultivation operation will be maintained/protected as a permanent erosion and sediment control measure.
- A native grass seed mixture and certified weed-free straw mulch will be applied to all areas of exposed soil prior to November 15th of each year, until permanent stabilization has been achieved.
- Gravel will be applied to the surfaces of access roads, pathways, and the aisles between the garden beds/pots of the proposed cultivation areas, to allow for infiltration while mitigating the generation of sediment laden stormwater runoff.
- Straw rolls/wattles will be installed before November 15th of each year throughout the proposed cultivation operation per the Project's engineered Erosion and Sediment Control Site Plan, to filter pollutants and promote stormwater retention and infiltration.
- If areas of concentrated stormwater runoff begin to develop, additional erosion and sediment control measures will be implemented to protect those areas and their outfalls

Project Setting

The properties surrounding the project property are zoned and developed as follows:

- North: "A", Agriculture-zoned lots, approximately 10 acres in size, and containing crops.
- West: "APZ", Agriculture Preserve-zoned lots containing crops. Lots vary in size from 2 acres to over 30 acres. The two-acre southern lot and the 30-acre western lot contain dwellings.
- East: "A", Agriculture-zoned lots, approximately 30 acres in size, and containing crops and dwellings.
- South: "APZ", Agriculture Preserve-zoned lots containing crops. Lots vary in size from 2 acres to over 30 acres. The two-acre southern lot and the 30-acre western lot contain dwellings.

FIGURE 4 – ZONING OF SITE AND VICINITY



Source: Lake County GIS Mapping



Cultivation



Clustering

PROJECT ANALYSIS

General Plan Conformity

The General Plan Designation for the subject site is Agriculture Preserve, which is intended to protect the County's valuable agricultural resources and to prevent development that would preclude its future use in agriculture. These lands are actively or potentially engaged in crop production, including horticulture, tree crops, row and field crops, and related activities. The soil is mapped as Farmland of Local Importance. In reference to the Lake County General Plan (2008), the following policies can be applied to the proposed project:

The following General Plan policies relate to site development in the context of this proposal:

Chapter 3 - Land Use

Goal LU-1:

To encourage the overall economic and social growth of the County while maintaining its quality-of-life standards.

- **Policy LU-1.2:**

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.

The approval of the use permit within the "APZ" Agricultural Preserve zoning district would allow the cannabis industry to strengthen and revitalize the overall community through promoting economic development and employment opportunities.

Goal LU-2:

To clearly differentiate between areas within Lake County appropriate for higher intensity urban services and land uses from areas where rural or resource use should be emphasized.

- Policy LU-2.4:

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

The cultivation and clustered parcels are located in an agricultural area in Kelseyville that is characterized by low density and traditional agricultural activities primarily on larger lots. Pursuant to the Lake County Zoning Ordinance; Article 27, Section 27.13 (at), the County requires a minimum 100-foot setback from all property lines of the subject property, and a minimum of 200-foot setback from any off-site residences. The cultivation site is more than 100 feet away from all property lines and mapped watercourses and ponds. The cultivation parcel is not located within 1,000 feet of a Community Growth Boundary and is not located within an exclusion zone. Project parcels are located within a Farmland Protection Zone; greenhouse cultivation is required per Ordinance No. 3103 (Attachment 9) and is being proposed by the applicant.

Goal LU-4:

To maintain economic vitality and promote the development of commercial uses that are compatible with surrounding land uses and meet the present and future needs of Lake County residents, the regional community, and visitors.

The proposed project will employ three people during construction and operations, which will enable employees to spend money on local commodities such as food, gas and lodging. The product grown on site may be sold in local dispensaries, and cultivation taxes will be paid to the County, all of which will benefit the local economy. The greenhouses are required to be equipped with air filtration systems which will further reduce the possibility of chemical or odor migration from the cultivation areas.

Chapter 7 – Health and Safety

Goal HS-1:

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

- Policy HS-1.3 Building and Fire Codes:

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

The site is not located within a mapped High Fire Risk Area. The applicant proposes to implement Public Resource Code 4290/4291 road standards for commercial operations to allow adequate access for emergency vehicle access and wildfire suppression. Furthermore, the project will require one of the 5,000-gallon water tanks to be available for fire suppression and made of steel or fiberglass. The applicant will also be required to maintain 100' of defensible space around the cultivation area.

Goal HS-5:

To protect residents, visitors and property from hazardous materials through their safe use, transport and disposal.

The project parcel is flat at the cultivation site. The submitted Property Management Plan describes erosion control measures that will be used for the project. The applicant will maintain a hazardous material storage area with the use of secondary containment as required for all commercial cannabis activities.

Goal HS-7:

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

- **Policy HS 7-6 Development Guidelines:**
Developers and/or subsequent owners must assume responsibility for ongoing fire prevention maintenance activities for the project, including abatement of fuel buildup, fire break maintenance, access provision, and provision of adequate water supply to meet fire flow.

The applicant proposes to implement Public Resource Code 4290/4291 road standards for commercial operations to allow adequate access for emergency vehicle access and wildfire suppression. The project will require a 5,000-gallon water tank dedicated to fire suppression to be constructed of steel or fiberglass. The applicant will also be required to maintain 100' of defensible space around the cultivation area to be maintained by the applicant for the life of the project. As an added Condition of Approval, staff recommends all water tanks be equipped with a 2.5 Fire Department Hose Connection for fire suppression for use of local fire districts.

Chapter 8 – Noise

Goal N-1:

To protect County residents from harmful exposure of excessive noise and prevent incompatible land uses from encroaching upon existing and planned land uses.

- **Policy N-1.4:**
Site Planning to Reduce Noise Impacts. The County should encourage proper site planning, architectural layout, and use of building materials as methods of noise attenuation. The following techniques should be considered to reduce noise impacts: increase the distance between noise source and receiver through the use of building setbacks and/or dedication of noise easement.

The project is situated on a ±38.85-acre site and shows setbacks that are no less than 100' from any property line. The nearest dwelling is located about 860 feet south of the cultivation area. This project will have some noise related to site preparation, and hours of construction are limited according to standards described in the conditions of approval. Although the property size and location will help to reduce any noise detectable on the property line, mitigation measures will still be implemented to further limit the potential sources of noise. Site preparation would last approximately eight to twelve weeks and would take place between the hours of 7:00 a.m. and 7:00 p.m., which is typically a time when residents are not sleeping. The carbon odor filtration systems required inside the greenhouses would need to meet the allowable noise levels established in the General Plan and in the Zoning Ordinance, Article 41.

Chapter 11 – Water Resources

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

- **Policy WR-1.2:**
Sustainable Groundwater Withdrawal. The County shall manage groundwater resources within its jurisdiction through ordinances, project approvals, and agreements to ensure an adequate, safe, sustainable and economically viable ground water supply for existing and

future use within the County, to maintain and enhance the natural environment, protect existing groundwater users, the overall economy of the County, and groundwater and surface water quality and quantity in a manner consistent with existing law and with a doctrine of safe yield within the groundwater basins of the County.

The project application includes a water-use analysis, a hydrological study, and a drought management plan, as required for all commercial cannabis cultivation projects. Pursuant to Ordinance 3106, the applicant submitted a Hydrogeologic Assessment (Attachment 5) by a registered civil engineer with Hurvitz Environmental. The report evaluates the following: site development and water use; water quality; water balance including precipitation, groundwater storage, recharge and drought conditions; pumping influence to surrounding properties, and drought management.

Kelseyville Area Plan Conformity

The subject site is located within the Kelseyville Area Plan boundary. The following objectives and policies relate to compliance with the Area Plan.

Chapter 3 – Natural Resource Policies

- Objective 3.2:
To encourage programs which reduce and limit the potential for soil erosion.

The applicant has provided erosion control measures in the Property Management Plan (PMP) (Attachment 3), prepared by BC Engineering Group, to minimize potential stormwater impacts to neighboring lots. The applicant will need to comply with the Statewide Waste Discharge Order for cannabis cultivators. The Erosion Control Plan (Chapter 9 in the PMP) describes straw wattles to be used to channel stormwater runoff and to retain stormwater on site. There are no creeks or watersheds located within 100 feet of the cultivation area, and the plans appear to effectively minimize potential stormwater runoff issues that might otherwise be associated with this project.

- Objective 3.3:
To protect and preserve the quality and quantity of water resources for the long-term development of the Kelseyville area.

The project has met the requirements of County of Lake Ordinance No. 3106. The ordinance requires a hydrological report and drought management plan be completed by a hydrologist, hydrogeologist, geologist or civil engineer, and that impacts from water use on the surrounding area be analyzed. This information was reviewed and incorporated into the initial study, which concluded that there will not be any significant impacts with the described mitigation measures in place.

- Objective 3.5:
To encourage agricultural activities and development in Kelseyville Planning Area and limit the intrusion of incompatible development into prime areas.

The project is consistent with Ordinance No. 3103, which requires cannabis projects within Farmland Protection Areas to cultivate inside greenhouses. The project is located within a mapped Farmland Protection Area and is using greenhouses for cannabis cultivation.

Chapter 5 – Land Use Policies

- 5.1b-1: A high priority should be given to providing service and employment opportunities locally in the Kelseyville Planning Area in order to boost economic development and reduce travel distances.

This applicant has an estimated three employees during regular operations and construction including during harvest season. In addition to the income made by these employees, the applicant has the option to provide state-controlled product to local cannabis retail stores, further enabling more retail cannabis-related local employment. The project will benefit the County and State tax base by generating cannabis taxes annually.

- 5.35d: New commercial uses should be required to provide private security measures.

The applicant will be required to install security systems and measures in compliance with Lake County Zoning Ordinance Article 27, Sec. 21-27.10, Subsection (at)3.iii. The cultivation area will be perimeter fenced and mounted with security cameras. The gate will be secured with a commercial grade security lock and a KnoxBox to allow for emergency service access.

Zoning Ordinance Conformance

Article 4 – Agricultural Preserve (APZ)

The cultivation of commercial cannabis is permitted in the “APZ” Agricultural Preserve Zoning District upon issuance of a Major Use Permit pursuant to Article 27, Table B of the Lake County Zoning Ordinance. The properties are also within a mapped Farmland Protection Zone, and greenhouse cultivation is required per Ordinance No. 3103 (Attachment 9).

Article 27 - Use Permits

Pursuant to Article 27 of the Lake County Zoning Ordinance, outdoor commercial cannabis cultivation is permitted in the Agriculture Preserve zoning district with the issuance of a Major Use Permit.

To qualify for a Major Use Permit the project must demonstrate that all regulations within Articles 4 and 27 are met and any adverse environmental impacts are adequately mitigated.

Development and Performance Standards

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

- Minimum Lot Size (20 acres required for an A-Type 3 license): Complies; The lots are ±38 acres in size, and 35 acres is required for the permits requested.
- Setback from property line (100 feet): Complies, the cultivation site is set back a minimum of 100 feet from the nearest property line.
- Setback from off-site residence (200 feet): Complies; the nearest dwelling is over 500 feet south of the proposed cultivation area.
- Minimum and maximum fence height of six (6) to eight (8) feet: Complies; the proposed fence is six (6) feet tall according to the Property Management Plan (Attachment #3) submitted.
- Maximum canopy area (22,000 sf for each 20 acres of land): Complies; The total proposed canopy area is 29,500 sf; the ±38-acre lot supports the proposed canopy area, which consists of one A-Type 3B license (22,000 sf of canopy), and three A-Type 1C licenses (7,500 additional sf of canopy).

General Requirements

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

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

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

Article 41, Performance Standards. All land use projects in the Agriculture Preserve "APZ" zoning district requires review under Article 41. The following findings apply to this project.

- Section 41.2, Compliance procedures. The Planning Director may require pertinent information demonstrating that the proposed use will comply with all applicable performance standards prior to issuance of any ministerial or discretionary approval. This information may consist of a report prepared by a qualified technical consultant(s).

The following technical studies and reports were submitted by the applicant:

Archaeological Study, Biological Assessment, Hydrogeologic Report and Drought Management Plan

- 41.3 Exceptions: A major use permit shall be required when the performance characteristics of the proposed use: 1. Have the potential to significantly impact the environment; or 2. Have the potential to create substantial public controversy; or 3. Have the potential to injure the public health, safety or welfare.

The applicant has applied for a major use permit for commercial cannabis cultivation for one (1) A-Type 3B, three (3) A-Type 1C mixed light licenses and a Type-13 Self- Distribution, Transport Only license.

- Section 41.4, Air Quality. All uses shall comply with applicable local, state, and federal laws and regulations regarding contaminants and pollutants. This requirement includes, but is not 41-2 limited to, emissions of suspended particulates, carbon monoxide, hydrocarbons, odors, toxic or obnoxious gases and fumes.

The project has some potential to impact air quality during construction and to a lesser extent during operations. Ground disturbance will consist of preparing and installing fifteen 30' x 100' greenhouses, three 30' x 60' greenhouses, one 30' x 60' metal building, improving the interior driveway, digging post-holes for fencing, and trenching for power for the security system. The Initial Study/Mitigated Negative Declaration (Attachment 4) for this project has mitigation measures that will help reduce dust and wildfire threats during site disturbance.

- Section 41.5, Electromagnetic Interference. Devices which generate electromagnetic interference shall be so operated as not to cause interference with any activity carried on beyond the boundary line of the property upon which the device is located. Public utilities shall comply with all applicable state and federal regulations.

This section is intended to assure that a project will not impact any activity outside of the project area by producing electromagnetic interference. Cannabis cultivation activities do not generate electromagnetic interference, so this section does not apply.

- Section 41.6, Erosion Control. Standards shall apply to all development projects in commercial or industrial zoning districts

The applicant has submitted Erosion and Drainage Control Plans that show methods of erosion control that will be in place prior to ground disturbance and over the life of the project. The applicant is also required to apply for and receive a grading permit due to the extent of site improvements that will occur.

- Section 41.7, Fire and Explosion Hazards. All uses involving the use or storage of combustible, explosive, caustic or otherwise hazardous materials shall comply with all applicable local, state and federal safety standards and shall be provided with adequate safety devices against the hazard of fire and explosion, and adequate fire-fighting and fire suppression equipment.

Mitigation measures include interior driveway improvements, keeping no less than 5,000 gallons of water on site to be reserved for fire protection, and maintaining defensible space around all buildings.

- Section 41.8, Glare and Heat. All exterior lighting accessory to any use shall be hooded, shielded or opaque. No unobstructed beam of light shall be directed beyond any exterior lot line. Buildings and structures under construction are exempt from this provision. No use shall generate heat so that increased ambient air temperature or radiant heat is measurable at any exterior lot line.

All greenhouses incorporating artificial lighting shall be equipped with blackout film/material to be used at night for maximum light blockage to lessen the impact on the surrounding parcels and the dark skies.

- Section 41.9, Landscaping Standards. All undeveloped land areas shall be maintained in permanent vegetative cover, or alternatively be landscaped with a combination of materials to control runoff. All yards shall be landscaped such that there shall be no accumulation of silt, mud, or standing water causing unsightly or hazardous conditions, either within the yard or on adjacent properties, public roads, or sidewalks

The site is flat and has little native landscaping that would otherwise screen the new use from neighboring uses. The areas will be maintained with natural grass and vegetative cover outside of the 100' defensible space buffer around the proposed structures. The applicant is proposing a 6' tall wire mesh screening fence. The fencing, as proposed, will further screen the cultivation activities from view around the perimeter of the cultivation area.

- Section 41.10, Liquid, Solid and Hazardous Wastes. All uses are prohibited from discharging liquid, solid, toxic or hazardous wastes onto or into the ground and into streams, lakes or rivers.

The cultivation of cannabis relies on natural fertilizers and pesticides to meet State regulations for impurities. There may be some fuel used during construction for the construction vehicles; mitigation measures and Conditions of Approval require a spill containment kit be kept on site in the event of a fuel spill, and equipment staging will occur on previously disturbed portions of the site, which will minimize the potential for chemical infiltration into the soil in the event of a spill.

- Section 41.11, Noise. Maximum sound emissions for any use shall not exceed equivalent sound pressure levels in decibels, A-Weighted Scale, for any one (1) hour as stipulated in Table 11.1.

The project may generate some noise during construction. A condition addressing noise has been added to the conditions of approval.

- Section 41.12, Open and Outdoor Storage and Display.

The applicant has proposed adequate storage for the project's use including a pesticide, fertilizer, and agricultural chemical storage shed.

- Section 41.13, Radioactivity. No radiation of any kind shall be emitted in quantities which are dangerous to humans

Cannabis cultivation projects do not produce radioactivity. This section does not apply.

- Section 41.15, Vibrations. No use shall generate ground vibration which is perceptible without instruments beyond the lot line. Ground vibrations caused by motor vehicles, aircraft, temporary construction work, or agricultural equipment are exempt from these standards.

There is some potential for ground borne vibrations during site disturbance, primarily for building pad preparations. The applicant is limited in permissible noise levels during and after site disturbance activities. Equipment used in construction is also required to not generate vibrations, and no mining, rock crushing or other activities that might cause vibrations are permitted for this project.

AGENCY COMMENTS

The County received comments from the following departments and agencies:

- Lake County Agricultural Commissioner
- Army Corps of Engineers
- Lake County Building Official
- Department of Cannabis Control
- Lake County Department of Public Works, Road Department
- Lake County Environmental Health Department
- Lake County Resource Planner
- California Historical Resource Information System (CHRIS)
- PG&E
- Lake County Water Resources Department

The following agency comments require action on the part of the applicant:

- Lake County Agriculture Commissioner – applicant to obtain an Operator ID and Private (Pesticide) Applicator Certificate
- Building Department – building permits are required for the greenhouses
- Lake County Public Works – Road Department – encroachment may need to be upgraded to meet commercial access entry standards
- Lake County Environmental Health – applicant must meet requirements for Onsite Wastewater Treatment Systems
- Lake County Resource Planner – grading must comply with Lake Count Code, Chapter 30, "Grading"
- Lake County Department of Water Resources – well permit showing legality of the irrigation water source; well monitoring equipment to be installed

TRIBAL COMMENTS

Notification of the Project was sent to Big Valley Rancheria, Cortina Rancheria, Elem Colony, Koi Nation, Mishewal-Wappo, Middletown Rancheria, Hopland Band of Pomo Indians, Redwood Valley Rancheria, Robinson Rancheria, Scotts Valley Band of Pomo Indians, Habematolel Pomo of Upper Lake Tribe, and Yocha Dehe Wintun Nation on August 23, 2022. (Attachment 7) Tribal Consultation was not requested. However, mitigation measures (TCR-1, TCR-2, TCR-3) have been incorporated to ensure impacts related to potential unanticipated discoveries are reduced to a less than significant level. Additionally, notice of this public hearing was sent to the aforementioned Tribes.

ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA) requires agencies to evaluate the environmental implications of land use actions. The environmental review of this project resulted in a Mitigated Negative Declaration, which was uploaded to the State Clearinghouse on May 17, 2023 (Attachment 4). The review period for the CEQA documents was from May 18, 2023, to June 19, 2023. This was the second circulation of this project due to mitigation measures of Biological Resources not being incorporated into the first circulation. Public Comment was received for this project with concerns for light pollution, access, water use, fencing, and grounds maintenance.

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

- Aesthetics
- Air Quality
- Biological Resources
- Cultural Resources
- Noise
- Tribal Resources

Aesthetics Impacts relating to Aesthetics (AES) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure AES 1-2:

AES-1: Prior to cultivation, the applicant shall install a 6' tall (minimum) screening fence around the cultivation area. Materials may include chain link with slats, or solid wood or metal fencing. Fabric fence screening is not permitted due to poor durability.

AES-2: All greenhouses incorporating artificial lighting shall be equipped with blackout film/material to be used at night for maximum light blockage to lessen the impact on the surrounding parcels and the dark skies. Applicant shall submit a Blackout Film/Materials Plan to the Community Development Department for review and approval prior to issuance of any permits.

Air Quality Impacts relating to Air Quality (AQ) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measure AQ 1-7:

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

AQ-2: All mobile diesel equipment used must be in compliance with state registration requirements. Portable and stationary diesel-powered equipment must meet all federal, state, and local requirements, including the requirements of the State Air Toxic Control Measures for compression

ignition engines. Additionally, all engines must notify LCAQMD prior to beginning construction activities and prior to engine use.

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

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

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

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

AQ-7: All greenhouse and processing/manufacturing buildings shall be equipped with carbon similar air filtration systems to minimize odor drift prior to cultivation activities.

Biological Resources Impacts relating to Biological Resources (BIO) have been reduced to Less than Significant with mitigation incorporated as described by Mitigation Measures BIO-1 through BIO-5:

BIO-1: If project activities occur during the breeding season (February 1 through August 31), a qualified biologist shall conduct a breeding bird survey no more than 7 days prior to project activities to determine if any birds are nesting in trees adjacent to the study area.

BIO-2: If active nests are found close enough to the study to affect breeding success, the biologist will establish an appropriate exclusion zone around the nest. This exclusion zone may be modified depending upon the species, nest location, and existing visual buffers. Once all young have become independent of the nest, work may take place in the former exclusion zone.

BIO-3: If initial work is delayed or there is a break in project activities of greater than 7 days within the bird-nesting season, then a follow-up nesting bird survey shall be performed to ensure no nests have been established in the interim.

BIO-4: Potential breeding habitat for Western Pond turtle is present in the vicinity. Any upland habitat on site may provide nesting habitat for pond turtle. To minimize potential impacts to this species, initial work shall begin outside the nesting season for pond turtle, which is from May 1 to October 1.

BIO-5: California Department of Fish and Wildlife (CDFW) Best Management practices (BMPs) include the following and shall be implemented:

- a) If workers see wildlife, pause work so that wildlife may move out of the way.
- b) All equipment shall be maintained such that there will be no leaks of automotive fluids such as gasoline, oils, or solvents.
- c) Hazardous materials such as fuels, oils, solvents, etc., shall be stored in sealable containers in a designated location that is at least 200 feet from aquatic habitats.

- d) All fueling and maintenance of vehicles and other equipment and staging areas shall occur at least 200 feet from any aquatic habitat.

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

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

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

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

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

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

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

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

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

TCR-2: If previously unidentified tribal cultural resources are encountered during the project altering the materials and their stratigraphic context shall be avoided and work shall halt immediately. Project personnel shall not collect, move, or disturb cultural resources. A representative from a locally affiliated Tribe(s) shall be contacted to evaluate the resource and

prepare a Tribal Cultural Resources plan to allow for identification and further evaluation in determining the tribal cultural resource significance and appropriate treatment or disposition.

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

Mandatory Findings of Significance

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

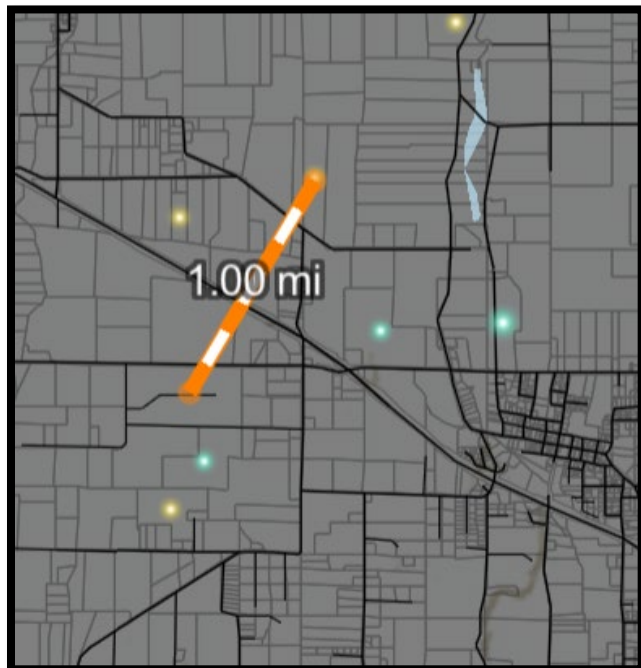
Potentially significant impacts have been identified related to Aesthetics, Air Quality, Cultural Resources, Noise, and Tribal Cultural Resources. These impacts in combination with the impacts of other past, present, and reasonably foreseeable future projects could cumulatively contribute to significant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

Cumulative Impacts

Within one mile of this proposed project are two pending and two approved projects.

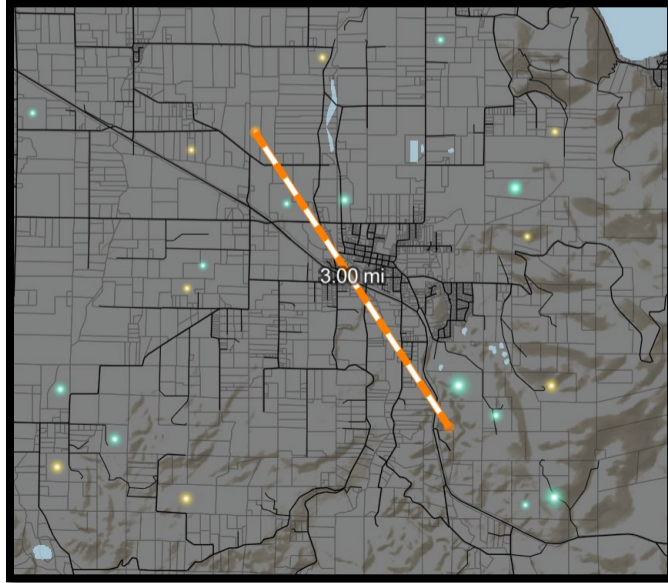
Within three miles of this proposed project are nine pending and fourteen approved projects.

FIGURE 5– CUMULATIVE IMPACTS, ONE MILE RADIUS



Source: Lake County GIS Mapping

FIGURE 6– CUMULATIVE IMPACTS, THREE MILE RADIUS



Source: Lake County GIS Mapping

MAJOR USE PERMIT FINDINGS FOR APPROVAL

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

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

The proposed use of commercial cannabis cultivation is a permitted use in the “APZ” Agriculture Preserve Zoning District subject to this review and issuance of a major use permit pursuant to Article 27 of the Lake County Zoning Ordinance. The project is located in a mapped Farmland Protection area, and cultivation of cannabis will occur inside of greenhouses, which is permitted subject to use permit approval. Additionally, the Community Development Department will require annual compliance monitoring reports and conduct annual inspections during the cultivation season to ensure compliance with the approved Property Management Plan and Conditions of Approval. Public comments were received (Attachment 8).

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

The proposal consists of 29,500 sf mixed-light cannabis canopy. The Lake County Zoning Ordinance allows cultivation operations on “APZ” Agriculture Preserve-zoned land if the land meets the requirements within Article 27.13(at). The subject site is ±38 acres in size, large enough to enable the cultivation area proposed to occur.

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

The site is accessed via an interior driveway that connects with Big Valley Road, a paved County-maintained road. The project was circulated for public agency review, including but not limited to Kelseyville Fire District, Cal Fire, and the Lake County Department of Public Works. Comments (Attachment 6) were received, and the driveway approach may need to be upgraded for a commercial driveway approach. This will be reviewed by the Department of Public Works after project approval.

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.*

There are adequate public utilities and services available to the site. The application was routed to all the affected public and private service providers, including Public Works, Environmental Health, Specials Districts, Water Resources and PG&E. All agency comments are attached (Attachment 6). The Kelseyville Fire Protection District provides fire-related emergency services to the site. The Lake County Sheriff's Department provides police protection. The site is served by PG&E on-grid power. The cultivation site is served by a private permitted groundwater well and portable restrooms.

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.*

Upon review, the Community Development Department has determined that the proposed use for the cultivation of greenhouse cannabis cultivation is in conformance with the applicable provisions and policies of this Code, the General Plan, the Kelseyville Area Plan and the Lake County Zoning Ordinance as the cultivation of cannabis is an allowable use within the "APZ" Agriculture Preserve Zoning Designation upon securing a major use permit pursuant to Article 27, (Table B) of the Lake County Zoning Ordinance. The General Plan and Kelseyville Area Plan do not have any provisions specifically for commercial cannabis, but both plans have provisions for economic development and land use compatibility.

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

There are no documented violations of Chapters 5, 17, 21, 23 or 26 of the Lake County Code on the subject properties.

Further, Article 27.13 (at) has three findings that must be met for commercial cannabis:

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

The purpose of this report is to evaluate the levels of compliance with the standards and criteria found in Article 27, section 1.i., as well as other portions of the Zoning Ordinance, General Plan and Kelseyville Area Plan.

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

The applicant is qualified to make this application as he has passed a 'Live Scan' background check.

RECOMMENDATIONS

Staff recommends the Planning Commission take the following actions:

- A. Adopt Initial Study (IS 21-29) for Major Use Permit (UP 21-28) with the following findings:
 - 1. Potential impacts to Aesthetics can be mitigated to 'less than significant' levels with the inclusion of mitigation measure AES-1 and AES-2.
 - 2. Potential environmental impacts related to Air Quality can be mitigated to less than significant levels by mitigation measures AQ-1 through AQ-7.
 - 3. Potential environmental impacts related to Cultural Resources can be mitigated to less than significant levels by mitigation measures CUL-1 and CUL-2.
 - 4. Potential environmental impacts related to noise can be mitigated to less than significant levels by mitigation measures NOI-1 and NOI-2.
 - 5. Potential environmental impacts related to Tribal Cultural Resources can be mitigated to less than significant levels by mitigation measures CUL-1, CUL-2, TCR-1 through TCR-3
 - 6. This project is consistent with agricultural land uses in the vicinity.
 - 7. This project is consistent with the Lake County General Plan, Kelseyville Area Plan and Lake County Zoning Ordinance.
- B. Approve Major Use Permit (UP 21-28) with the following findings:
 - 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.
 - 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.
 - 3. That the streets, highways and pedestrian facilities are reasonably adequate to safely accommodate the specific proposed use with mitigation measure added.
 - 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.
 - 5. That the project is in conformance with the applicable provisions and policies of this Code, the Lake County General Plan, the Kelseyville Area Plan and the Lake County Zoning Ordinance.
 - 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.

7. The proposed use complies with all development standards described in Chapter 21, Article 27, Section 1.i.
8. The applicant is qualified to make the application described in Chapter 21, Article 27, Section 1.ii.(g).
9. The application complies with the qualifications for a permit described in Chapter 21, Article 27, Section 1.ii.(i).

Sample Motions:

Mitigated Negative Declaration (IS 21-29)

I move that the Planning Commission adopt Mitigated Negative Declaration (IS 21-29) for Green Handle Farms on property located at 3050 Big Valley Road, Kelseyville (APNs: 008-037-01 and 008-035-14) with the findings listed in the staff report dated May 23, 2024.

Major Use Permit (UP 21-28)

I move that that the Planning Commission approve Major Use Permit (UP 21-28) for Green Handle Farms on property located at 3050 Big Valley Road, Kelseyville (APNs: 008-037-01 and 008-035-14) with the findings listed in the Staff Report dated May 23, 2024.

NOTE: *The applicant or any interested person is reminded that the Zoning Ordinance provides for a seven (7) calendar day appeal period. If there is a disagreement with the Planning Commission'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.*